

# The NATIONAL UNDERWRITER

*Life Insurance Edition*

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## How It All Started...

Oddly enough, the D. L. B. Agent's Service didn't start out as a Service at all. It started back in 1928 as a personal notebook when I began to collect — for my own use — various charts, selling ideas, motivating phrases, answers to objections, closing arguments, human-interest stories.

These I clipped and pasted, or had retyped, and put in a loose-leaf, ring binder. I went through the whole Diamond Life Bulletins to get some of the essence from the wealth therein. And I added to my notebook from time to time as new ideas, tables or sales thoughts were found.

From this book I could in short order make up a Speech, construct a Sales Talk to fit any Insurance need, answer almost any Objection, figure Settlement Options quickly, refresh my memory on Motivating stories. . . . Shown to a few Agent friends, they wanted one like it. In 1931 we decided on index headings, and began to look for the right kind of binder. In July 1934 the first monthly issue was printed.

Number of subscribers has steadily grown

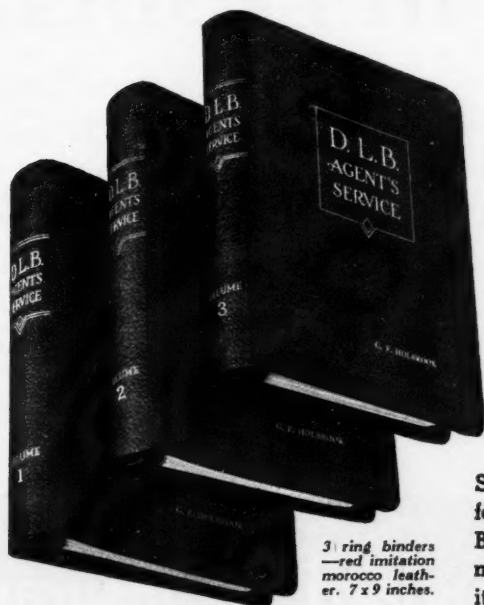
from none in July 1934 to just under 7000 in February 1937 — 30 months. The subscription response has exceeded our fondest hopes. The Service is a "natural", like Time, like Reader's Digest.

So that no worthwhile selling idea, chart or story is missed, there come over our editorial desks all magazines and Services on Life Insurance; most Company publications; most general business magazines. Besides, we interview yearly several hundred Life Underwriters.

Certainly any reasonably alert editorial staff could, from these wide contacts, glean material of great value to any Agent; material not available anywhere else.

A new subscriber receives a complete set of all material published to date, indexed and bound in three ring binders, with his name embossed on each binder. Then, the subscriber receives the regular Monthly Supplements, plus the monthly letter "Odds and Ends", plus occasional special booklets as issued.

*Al Jagna*



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| 2.—"Life Insurance". | 7.—"Programing".       | 12.—"Settlement Options".     |
| 3.—"Investments".    | 8.—"Selling to Women". | 13.—"Managing Your Business". |
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## THE DIAMOND LIFE BULLETINS

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CINCINNATI, OHIO

FRIDAY, JULY 16, 1937

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INSURANCE COMPANY OF PHILADELPHIA

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## HENRY HELPSSELL

### Says -

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A. R. PERKINS—*Agency Manager*



## Jefferson Standard Life Insurance Co.

JULIAN PRICE PRESIDENT

GREENSBORO, NORTH CAROLINA



# The NATIONAL UNDERWRITER

Forty-first Year—No. 29

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JULY 16, 1937

\$3.00 Per Year, 15 Cents a Copy

## Occupancies Up in Residence Field

Nearly 95 Percent, New York Department Real Estate Bureau Finds

## HIGH RENTS HARD TO GET

Best Recovery in Lowest Price Range; Small Returns Slow Down Lending

NEW YORK, July 15.—Occupancies in the residential real estate field have shown a good recovery and are now close to 95 percent, although there is still an almost universal sharp upper limit of rental scales which holds the general level of the rents down to the moderate price range, according to Edward E. Thorpe, chief of the real estate bureau New York insurance department. This bureau's function is to keep in touch with the national real estate situation where life companies have large mortgage or real estate investments.

The difficulty of getting rents up beyond the \$60 range has held back building operations in the higher priced field, since the estimate of rentals on these better grade properties is not sufficient to attract mortgage money. What building there has been has been confined to the lowest priced field, mostly low-priced one and two family houses.

### Same Situation on Sales

Much the same situation prevails in the selling of real estate. The low priced stuff has improved remarkably, although it was far down in price during the depression and much of it changed hands through foreclosure. Expensive properties, such as pretentious houses and better grade apartments are still a drug on the market.

Geographically the improvement has been pretty well distributed. The Pacific Coast is the latest to show marked improvements. Detroit, where the depression caused widespread and intensive real estate troubles, has come back in fine style because of the upturn in the automobile business.

### Lag in Poor, Crowded Sections

Spots where improvement has failed to parallel the general average of the country are mainly in crowded sections of large cities, where property that was definitely on the down grade even before the depression has become virtually slums. Low cost, large-scale housing projects have taken care of some of these spots, but in some there has been a decrease in population even without any slum clearance projects.

In farm properties there appears to be a definite demand for modern farm property although the more backward

## Business in First Six Months Up 8.9 Per Cent

Gain in new business for the first six months was 8.9 percent over the same 1936 period, the Association of Life Presidents reported to the U. S. Department of Commerce. New business showed increase for the fifth consecutive month.

Total new business of the 40 companies carrying 83 percent of legal reserve life insurance in this country during the first six months is \$4,762,225,000 against \$4,373,287,000 for the first half of 1936. New ordinary amounted to \$3,006,164,000, against \$2,747,594,000, increase 9.4 percent. Industrial was \$1,756,061,000, against \$1,359,563,000, increase 1.2 percent. Group was \$379,903,000, against \$266,130,000, increase

42.8 percent as compared with last year.

For June, total new business of these companies was \$825,288,000, against \$768,076,000 during June, 1936, increase 7.4 percent. New ordinary amounted to \$513,314,000, against \$492,648,000, increase 4.2 percent. Industrial was \$224,113,000, against \$233,333,000, decrease 4 percent. Group was \$87,861,000 against \$42,095,000, increase 108.7 percent.

Comparisons of the first six months this year with corresponding months last year show decrease of 1.6 percent for January, and increases of 7.5 percent for February, 19 percent for March and 12.3 percent for April, with May and June each showing increase of 7.4 percent.

## Six Months Figures Reported

Name of Company	New Pd. Bus. 1st 6 Mos.		Change in Ins. in Force	
	1937	1936	1937	1936
Acacia Mutual Life.....	\$20,089,114	\$19,029,739	+\$9,086,777	+\$5,669,127
American Life, Ala.....	1,582,136	1,579,680	+180,096	+678,298
American L. & A., Mo.....	1,308,996	1,154,855	+320,790	+373,394
American National.....	102,333,405	107,291,546	+24,337,844	+27,549,677
Bankers Life, Neb.....	9,298,652	8,996,379	+1,758,122	+1,520,777
Bankers National Life.....	8,677,901	15,837,723	-4,265,090	-5,932,624
Boston Mutual Life.....	15,054,802	16,417,214	+3,852,063	+2,936,573
Business Men's Assurance.....	10,750,394	8,924,952	+3,195,176	+486,339
Capital Life, Colo.....	3,242,281	2,747,174	.....	.....
Columbian Mutual Life.....	1,530,000	1,350,000	.....	.....
Columbian Natl. Life, Mass.....	10,628,825	7,937,390	+4,243,174	+1,299,436
Connecticut Mutual Life.....	49,831,405	44,641,053	+23,689,667	+12,052,479
Conservative Life, W. Va.....	3,504,000	2,922,000	+1,086,055	+591,740
Continental American.....	8,650,649	9,266,112	+2,154,194	+2,159,073
Continental Assurance.....	15,121,806	13,734,803	+10,153,229	+6,700,790
Crown Life, Canada.....	14,664,139	15,901,394	+6,950,265	+5,588,682
Empire State Mutual.....	457,100	201,000	+322,871	+90,388
Equitable Life, D. C.....	16,667,324	14,505,000	+4,454,509	+5,895,942
Farmers & Traders Life.....	2,646,063	2,018,723	+1,341,029	+928,437
Fidelity Mutual Life.....	14,117,961	12,530,855	+2,335,734	+1,085,372
Fidelity Union Life.....	2,380,058	2,590,749	+247,191	+97,981
Franklin Life, Ill.....	8,823,307	9,145,224	+114,411	-334,667
General American Life.....Ord.	5,857,800	6,608,000	-8,968,949	-11,489,091
General American Life.....Gr.	8,503,400	7,934,600	+35,503,681	-23,479,538
Girard Life.....	1,581,711	1,410,152	+339,963	-232,801
Govt. Personnel Mutual, Tex.....	237,611	189,597	+131,258	+79,324
Great American Life, Tex.....	5,500,451	4,882,662	+617,789	.....
Great Southern Life.....	16,854,143	16,063,092	+4,589,895	+2,018,502
Guardian Life, N. Y.....	26,378,987	24,238,260	+10,187,616	+4,714,527
Imperial Life, N. C.....	1,440,223	1,312,900	+610,371	+746,737
Independent Life, Md.....	1,683,500	1,696,000	+320,500	+338,000
Indianapolis Life.....	6,336,219	6,513,720	+2,331,612	+2,168,291
Ins. Clerks Mut. Ben., N. Y.....	205,000	67,289	+113,335	-1,109
Jefferson Standard Life.....	25,923,800	22,602,200	+10,862,327	+4,461,708
Kentucky Home Mutual Life.....	1,201,697	3,068,673	-872,214	+591,888
LaFayette Life.....	1,404,729	1,091,378	+576,883	-3,773
Lincoln National Life.....	71,548,385	58,141,675	+20,352,753	-2,656,720
Manhattan Life.....	5,050,700	2,542,253	+2,015,933	-1,068,895
Manufacturers Life, Canada.....	29,860,978	27,525,788	+14,405,263	+10,775,946
Mass. Protective Life.....	2,430,353	2,623,898	+995,798	+821,232
Michigan Life.....	2,997,494	2,005,738	+991,756	-701,712
Midland Mutual Life.....	5,652,496	5,312,032	+2,409,043	+1,585,378
Midwest Life, Neb.....	1,974,988	1,413,910	+611,787	-309,188
Minnesota Mutual.....	13,995,000	12,895,000	+5,216,000	+2,746,000
Monarch Life, Mass.....	1,763,076	1,534,906	+1,050,966	+724,106
Montana Life.....	3,034,855	1,958,524	+1,117,112	-254,600
Monumental Life.....	40,069,188	38,453,867	+13,875,326	+12,285,897
Mutual Benefit Life.....	64,635,890	63,525,487	+10,675,184	+5,304,991
New England Mutual Life.....	33,547,349	72,002,980	+45,851,101	+30,060,072
Northwestern Mutual Life.....	132,537,427	137,134,131	+41,733,498	+36,472,644
Northwestern National Life.....	27,683,713	27,350,277	+9,230,723	+4,146,531
Olympic Mutual Life, Wash.....	483,750	328,500	+415,000	+210,000
Oregon Mutual Life.....	3,894,267	3,699,998	+1,503,617	+1,528,509
Pan-American Life.....	11,157,433	8,354,208	+3,385,731	-576,728
Paul Revere Life.....	3,322,055	3,198,486	+1,459,701	+1,313,317
Penn Mutual Life.....	89,815,431	90,000,100	+24,481,095	+15,541,900
Peoples Life, D. C.....	3,068,367	2,608,335	+2,423,391	+1,545,335
People Life, Ind.....	3,339,281	4,003,410	+806,237	+1,171,495
Phoenix Mutual Life.....	36,522,076	26,641,363	+20,930,610	+3,250,250
Provident Life, N. D.....	3,441,325	2,426,073	+587,000	+610,000
Provident Life & Acc., Tenn.....	8,210,593	8,428,808	+6,682,345	+9,762,366
Reliance Life.....	28,294,407	19,724,642	+15,438,553	+4,136,074
Reserve Loan Life.....	5,470,870	6,173,122	+191,149	+659,272
Seaboard Life, Texas.....	2,954,205	2,794,414	+1,619,109	+1,172,738
Security Mutual, Neb.....	2,485,417	2,428,063	+541,434	+703,373
Security Mut. Life, N. Y.....	6,154,568	5,680,036	+892,799	-640,654
Southern Life, Ga.....	947,405	633,750	+492,345	+545,500
Southern Life & Health, Ala.....	25,910,342	24,868,484	+4,032,613	+4,746,525
Southland Life.....	7,174,296	6,837,873	-891,399	-568,973
Standard Life, Miss.....	1,959,145	1,402,061	+986,830	+505,458
State Capital Life, N. C.....	4,410,618	.....	1,970,668	.....
State Mutual Life.....	21,221,173	20,994,558	+6,218,268	+1,759,022

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## Monthly Premium Offers Wide Field

Tie-in with Buying Habits Might Offset Some of Present Drawbacks

## CAN HOLD LAPSES DOWN

Distribution of Payments Should Be for Convenience, Not as Bait for the Improvident

NEW YORK, July 15.—Though monthly premium insurance has not been generally encouraged by strictly ordinary companies because of its usually small average policy and the greater opportunity for lapse, the current popularity of the salary allotment plan, with its monthly payment feature, puts the idea in line for reappraisal for wider use. Monthly premium business is written by many more non-industrial companies than is generally realized and some companies have been experiencing an increase in this classification although they have not been seeking it.

If the two supposedly inherent drawbacks—small size and high lapse—of monthly premium business could be overcome, many agents feel that it would have a wide market since it ties in so closely with the budget habit of many prospects in the middle income group. These are not people who are unable to afford quarterly, semi-annual or annual premiums, but those who have become accustomed to paying for nearly everything on the monthly basis, and have come to consider it a natural way of operating and not merely a way of keeping one jump ahead of bankruptcy, which was the attitude toward installment buying some years ago.

### Buyers Couldn't Afford Quarterly

One difficulty with monthly business, and the reason why small size and high lapse have occurred so frequently, is that when it has been sold by ordinary companies it was too often to buyers who could not swing even a quarterly premium. Naturally, an agent prefers to write business on the annual basis. He gets his commission immediately on the full premium and he knows there is less chance for lapse. Semi-annual and quarterly are successively less welcome, and when it gets down to monthly premiums it is usually a matter of taking the business as a last resort.

Very different results, however, are reported by agents who have sold the monthly premium type to clients who were well able to afford the amount of insurance purchased but whose financing was geared to the monthly payment plan and who could be depended upon to view their life insurance premiums as an obligation to be paid just as unquestioningly as house rent, telephone, electric light, gas and telephone bills. One general agent can show records of monthly

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## Patton of Mutual Life Is Believer in Fundamentals

NEW YORK, July 15.—George A. Patton, the Mutual Life of New York's new vice-president and manager of agencies, is a firm believer in the fundamental purpose of life insurance as a protection, to provide income for the families of men who die. Mr. Patton's credo as regards the basic principle of life insurance was ably expressed in his talk before the recent national field club convention of the Mutual Life in Chicago. Only a month before he had been called from manager of the Columbus, O., agency to become superintendent of agencies. At that time his hearers had no idea that they were listening to the man who would be their agency vice-president scarcely a month later.

"Life insurance can still be sold to meet the great fundamental purposes for which it was originally intended," Mr. Patton declared, exhorting a "return to the driving, biting story that men die, and that the great objective of life insurance is to provide income for their families." He added that for the present, "the only answer we can find is a definite return to the blunt story of life insurance as protection.

### "Back to Fundamentals"

"Never before," he continued, "in our career has it been more important for us to convince ourselves that the fundamental principles never fail. The problems of today demand that if we were ever up on the job now is the time to prove it. There is nothing new or unusual about these principles when put into action. I feel that this might be an opportune time to adopt as our goal 'back to the fundamentals in life insurance selling.'"

Something of Mr. Patton's breadth of life insurance vision may be sensed from the following concluding statements of his talk: "We, in the life insurance business, are especially fortunate, for we have something in which to believe—a great business, the object of which is human welfare. We have something worth fighting for—the maintenance of a social order in which we believe and which we love, for which we are fighting with every extension of the service of life insurance.

### Envisions "Real Economic Security"

"We have something worth dreaming and planning for—the coming of a day when the volume of life insurance in force will be so large that our people can know the blessing of a real economic security."

Another section of Mr. Patton's Chicago speech takes on added significance in view of his elevation to his new position.

"This great business of ours offers to all engaged in it that greatest of all opportunities in life—the opportunity of self-expression through growth. By self-expression through growth I mean the opportunity to secure through one's own efforts more responsibility, more social and business prestige, more happiness for oneself and family—the result of increased usefulness.

"To keep ourselves interested and enthused, we must frequently take stock of ourselves and our progress, and must frequently stimulate our interest by proposing new problems or new variations of old problems. We must be continually looking for ways and means to increase the efficiency of ourselves and our associates—ways and means to maintain our enthusiasm—by devising new appeals to our individual interests and new stimulations to action."

Those who know Mr. Patton say that these views are an accurate reflection of the principles on which he has built his career. He is known as one who never asks anyone to do anything that he would not or could not do himself. He has always commanded respect because

of being entirely aboveboard and absolutely sincere.

Even before he went into the insurance business Mr. Patton made a record with his employers which caused them to be loath to let him go. After three years of rural school teaching and two more years as a teacher in Rome, Ohio, he was made high school principal in Manchester, Ohio, and then superintendent of schools there.

When he wanted to go into the life insurance business in order to make money with which to attend Miami University, the school board at Manchester would not take his resignation until he promised to get them a man to take his place, which he did.

### Swift Rise to Position

From agency manager to superintendent of agencies to vice-president and manager of agencies all within 60 days would be a breath-taking pace even in a company much smaller and younger than the Mutual Life of New York. When Mr. Patton came to the home office May 1, neither he nor anyone else had any idea that two months later he would be head of its agency department.

However, there was a previous occasion when one of fate's whims seemed definitely on the negative side. That was when Mr. Patton was appointed manager at Des Moines in 1925.

He had been district manager for the Portsmouth district of the Cincinnati

agency and while getting an agency of his own at Des Moines was of course a promotion, nevertheless, the Des Moines agency ranked number 75 in the company's list of 75 agencies. The ironical part of it was just a few weeks after Mr. Patton was installed at Des Moines the Cleveland manager died and the Cincinnati manager, E. R. Ferguson, was shifted to Cleveland. Had Mr. Patton still been affiliated with the Cincinnati agency he would have been the logical man to become its manager. The Cincinnati office was a much more desirable post than the agency at Des Moines.

Mr. Patton's chief outdoor recreation is golf, and he is one of the best golfers in the life insurance business. He shoots in the low to middle eighties. He also likes to go hunting and in the winter he goes in for bowling. Mr. Patton is married and has two children: George, Jr., 20, a student at Ohio State University, and Pauline, 16, a student for the last two years at the Columbus School for Girls.

## Rothaermel Is Speaker at Big Convention in Denver

W. M. Rothaermel, superintendent of agencies central department Equitable Life of New York, is announced as one of the main speakers at the clinic on recruiting and training agents to be conducted by the managers and general agents section at the annual convention of the National Association of Life Underwriters to be held in Denver Aug. 23-27. The clinic will be the second day. Mr. Rothaermel will open the program, following the chairman's address, with a talk on "Planning for a Building Program."

## J. P. Sullivan, Stormy Petrel of Life Insurance, Is Dead

By C. M. CARTWRIGHT

James P. Sullivan of Chicago, stormy petrel of life insurance, sensational in many of his movements, who gained publicity on numerous sectors, detractor of the savings element in life insurance, conspicuous in many episodes that brought him to the front, died Monday at the home of his sister in Oak Park, Ill., a Chicago suburb. Mr. Sullivan was 53 years old. He had a fertile and acute mind. He was versed in the fundamentals of actuarial science and had a rather comprehensive knowledge of life insurance technique. Therefore, in an argument he outwitted most of his opponents who were not so well informed. He had a very impressive way of speaking in public and talking.

To those who were not acquainted with the life insurance setup he made an impression. Glossing over life insurance features that he did not desire to bring to the front, he was able to attract many who listened to his siren song.

### Gilbert & Sullivan Had Formed Partnership

Mr. Sullivan had in recent months been located at Philadelphia in partnership with David Gilbert, the author of the book, "Life Insurance—A Legalized Racket," and a reviler of any investment features in life insurance and what might be called a life insurance muckraker. They formed the Gilbert & Sullivan Organization which was allied with the Marlowe Publishing Company, which brought out the Gilbert book. The Gilbert & Sullivan Organization was preparing "The Life Insurance Reporter & Analyst." Furthermore, there were to be reports on the larger companies. Life companies realized that the work of Gilbert & Sullivan would be destructive, in their estimation. Almost all refused to send them copies of their

annual statement. This forced Mr. Sullivan to get the reports from the Pennsylvania department. Undoubtedly the financial outlook was not reassuring and the project blew up.

Mr. Sullivan returned to Chicago and to his old headquarters at 30 North LaSalle street. There he announced the "Sullivan Organization," he being chief actuary. It was apparent that Mr. Sullivan was broken in body and spirit. He went to the Mayo Clinic at Rochester, Minn., for observation and in a letter to a friend he stated that he felt he would soon be "in better mental and physical shape."

### Started As Office Boy With the Illinois Life

Mr. Sullivan started in the home office of the Illinois Life at Chicago as an office boy. He was quick, ready to work at all times and ambitious. R. W. Stevens, vice-president, and O. J. Arnold, secretary, both University of Chicago graduates, took an interest in him, resulting in President J. W. Stevens financing him through that college. During his undergraduate days he was a member of the Maroon baseball team and was its star pitcher. He returned to the Illinois Life home office and having majored in mathematics he became identified with the actuarial department. He delved into his work studiously and having a penetrating and analytical mind he soon grasped life insurance technical knowledge.

Later on he became secretary of the Farmers & Bankers Life of Wichita. Mr. Sullivan was always sensitive and suspicious. He concluded that being a Roman Catholic the Ku Klux Klan had him marked and as he went to his club and walked along the streets in Wichita he felt that its hand was against him.

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## Marks His 1,000th Consecutive Week of Salesmanship

A luncheon was held recently in honor of Julius Gold, representative of the Sun Life of Canada in Cleveland, celebrating his 1,000th week of consecutive weekly production. For nearly 20 years Mr. Gold has produced at least one application each week which qualifies him for honors as one of the outstanding life men in the United States.

He was formerly with the Cleveland Life which was merged with the Sun Life 11 years ago. W. H. Hunt, former president of the Cleveland Life, was an honor guest at the luncheon and spoke, giving a brief history of the Cleveland Life and of the sales organization which transferred its allegiance to the Sun Life when the merger took place.

The luncheon was attended by 38 local representatives of the Sun Life. D. M. Cowan, branch manager of the Cleveland office, presided.

At a luncheon in his honor Mr. Gold said:

"When I first went into the life insurance business 20 years ago I was handed a rate book and a pocket full of applications and told to go out and get business. I was given to understand that in order to hold my job I must produce an application every day and for many weeks I kept this up. I thought that if I did not produce business every week I would lose my job and so I got in the habit of weekly production. Now I have been so thoroughly sold on the habit of getting at least one application a week I could never be satisfied unless I had my 'app' in before the close of each business week."

Many weeks Mr. Gold produces three or four applications. His secret of success rests in the fact that he has acquired the proper working habit and never considers himself employed unless he is in the presence of a prospect or on his way to an appointment. He has got the application habit and he has acquired it by systematic work.

## Special Trains Planned to Carry Delegates to Denver

DENVER, July 15.—Isadore Samuels, general chairman in charge of arrangements for the convention of the National Association of Life Underwriters here Aug. 23-27, has been informed by F. E. Walker, president Salt Lake City association, that about 125 Salt Lake City men will come to Denver in a special train for the convention. About 70 of them will be representatives of the Beneficial Life. Mr. Samuels has also been advised that the St. Louis association, which is making an active campaign for next year's convention, plans to charter a special train for the trip to Denver.

H. Allen Nye, chairman of the committee in charge of hotel reservations, advises all those who plan to attend the convention to make arrangements for rooms immediately. Rooms in the larger hotels are going to be scarce during convention week, many being largely reserved already. However, Mr. Nye says no one need worry about finding suitable sleeping quarters during the convention, as plenty of rooms will be available in the smaller hotels to take care of all delegates. While small, these hotels have accommodations in every way equaling those of larger ones and in most cases are a good deal cheaper.

### Tiboni Is Star Producer

E. A. Tiboni of Glastonbury, Conn., connected with the Phoenix Mutual Life home office agency, placed second on honor roll the first half of June. He has been with the Phoenix Mutual only about a year and recently received recognition for producing applications regularly for 38 consecutive weeks.



## W. J. Graham Takes Charge of Agency, Group Divisions

ADVANCED BY EQUITABLE, N. Y.

Given Executive Supervision of Both Departments, President Parkinson Announces

NEW YORK, July 15.—Vice president W. J. Graham, who for some years has had charge of the group department of the Equitable Life of New York, has been placed in charge of all agency activities as well, President T. I. Parkinson has informed the Equitable's managerial staff.

Mr. Parkinson's telegram stated: "Immediately effective, the activities heretofore carried on in the agency and group departments have been placed under the executive supervision of Vice-president W. J. Graham."

Agency activities hitherto have been under the sole supervision of Vice-president W. W. Klingman.

### MOVE WATCHED FOR MONTHS

For some time there have been rumors of this move. It was expected to be done at a directors meeting in May, but the only action affecting Mr. Graham was to elect him a director. Those in the know at that time predicted that Mr. Graham would be placed in charge of all agency activities by executive order rather than a vote of directors, and this move has been watched closely by the entire field force for months.

Now it is freely predicted among the agents that there will be a number of additional changes. Mr. Parkinson's announcement makes no reference to Mr. Klingman, thus not making quite clear how he fits into the agency department, over which until now, he has had executive supervision.

There are also some important posts in the field that hang in the balance, it is said.

## Metropolitan Life to Have Exhibit at 1939 N. Y. Fair

NEW YORK, July 15.—The Metropolitan Life will be represented at the New York World's Fair in 1939 with an exhibit which will cover 4,000 square feet. According to President L. A. Lincoln, the exhibit will be designed to show "the many-sided activities of a life insurance company and the various functions of such a company in making available to the American people means of establishing programs for security for themselves and their families."

It is expected that the exhibit will give a picture of the company in its various stages of progress through recent decades and will include an analysis of the composition of the various groups among its large body of policyholders in every stratum of the American and Canadian population. In illustrating the service of life insurance, along with the part it plays in the development of the country through its investments, it will also include a description of the Metropolitan's activities during the last 25 years in the interest of the health of its policyholders.

Modern technical devices will be used to add to the attractiveness and interest of exhibit.

### Haselton to Conduct Course

Fern Haselton, manager of the field service division of the Mutual Benefit Life, will conduct a one month course in life underwriting for the members of the W. T. Thach agency at Oklahoma City, beginning Aug. 16.

### Braunig Agency Wins Trophy

The J. S. Braunig Agency of the Lincoln National at St. Louis was awarded the president's month trophy. Each year the president's trophy is awarded to the most outstanding agency. The

## Penn Mutual Peoria Conference



Seated, Alexander E. Patterson, vice-president. Standing, left to right, Wayne S. Porter, Champaign, associate general agent; Edmund P. Connolly, Springfield, associate general agent; Frederick A. Schnell, Peoria, general agent.

At the recent conference of the Penn Mutual Life Illinois agency at Peoria to celebrate its new quarters in the Commercial Merchants Bank building, Vice-president A. E. Patterson was present from the home office. F. A. Schnell of Peoria is general agent for the state outside of Cook county and his associates are W. S. Porter of Champaign and E. P. Connolly of Springfield.

Braunig Agency has been in the contest only five years and has been awarded the trophy twice. It is awarded for production in May of each year in celebrating the birthdate of President

Hall. The basis is the average paid for production per man and this year the Braunig Agency had the highest average production per man in the past six years.

## You Graph—He Gropes

This fellow-traveler had a good-natured grievance against the latest underwriter to call on him. Said he:—

"He had a zipper brief case, and invited me to accompany him on his journey through several tangled graphs, each a labyrinth. He knew them by heart, and so he glibly glided. I could only grope along, and soon all I could say was, 'Yes—Yes.' They were foreign to me, and I couldn't glide, nor even stumble along. Besides, like plenty of other men, I am not graph-minded. I blew out several lungfuls of relief sighs when he had left, without a sale."

Graphs of only three or four lines, and very few figures, such as those for the Minimum Income and the Create and Save, and similar talks, are easily followed, and help to make sales. But an intricate graph irritates most prospects, and utterly fails to bring about the "meeting of the minds" so necessary to a fruitful interview.

## THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

## Mutual Benefit Names Two Chicago General Agents

PAUL COOK AND M. B. PARSONS

Famous Drew Agency Divided—Ingersoll Will Conduct Collection Office, Serving Both Agencies

NEWARK, July 15.—M. Bruce Parsons and Paul W. Cook have been named to head two general agencies in Chicago for the Mutual Benefit Life. A third office will be established under the direction of Alanson S. Ingersoll to serve both general agencies as a collection agency. The new agencies succeed the long established A. A. Drew agency.

Mr. Parsons and Mr. Cook have been leaders in the Drew agency and among life insurance men in Chicago. Each has been active in recruiting and training men and has attended the agency building schools conducted by the Research Bureau. Both have been successful in personal selling, each being classed as a million-dollar producer.

### Assistant to General Agent

Mr. Ingersoll has long served the Chicago agency as assistant to the general agent and in more recent years has assumed a large part of the management responsibilities during Mr. Drew's absence because of illness.

The division of the Chicago agency brings to a close a chapter in Mutual Benefit history which began in 1919 when A. A. Drew resigned as superintendent of agents to become general agent there. The agency, while not dominant in dollar volume has produced man power. Seven of the company's general agents are products of the agency. The agency has produced many company leaders and star producers.

Mr. Parsons was educated as a mechanical engineer at Iowa State College where he earned his way by selling veterinary supplies to farmers. In the war he served overseas as captain of field artillery. He completed his college studies in 1920, turned again to selling, this time in the specialty and health and accident fields. He joined Mutual Benefit in Chicago in 1923 at the age of 28. He began on a cold-canvas basis, changed to a clientele and programming basis and now ranks as a leading life insurance man in Chicago. He wrote a million in 1932-33-35, led the company in 1935. He qualified for the C. L. U. designation in 1931.

### Cook Joined Drew in '22

Mr. Cook was born in 1899 at St. Joseph, Mo., received his early schooling at William Jewell College of which his father was treasurer. Later he attended the University of Missouri and then had a year of graduate work at University of Chicago.

The C. L. U. designation he received in 1929.

Mr. Cook became associated with the Drew agency in 1922 following a year's business experience in South Dakota. He turned to supervisory work, becoming instructor of agents. He is author of the "Cook Book" published in 1930. His production in Mutual Benefit exceeded a million dollars in 1934 and 1936 and in the first six months of this year has nearly touched that figure. He is vice-president of the Chicago C. L. U. chapter.

Mr. Ingersoll was brought up in Ohio, attended Colorado College where he worked his way through. Following college, he entered a law office in Cleveland while studying law at Cleveland Law School.

Later he went to New York to enter the contract department of the New York Central Lines where he was on the staff of the vice-president. He continued at that work for 10 years while he completed his law work. He took

(CONTINUED ON PAGE 20)

## Canadian Association Will Hold Meeting in Toronto

CHARLES HEATH PRESIDENT

Annual Convention of the Insurance Superintendents Has Arranged Its Agenda, Chiefly Reports

The Association of Superintendents of Insurance of the Provinces of Canada will hold its annual meeting at the Royal York hotel, Toronto, Aug. 23-25. It will follow the conclusion of the annual meeting of the Canadian Fire Association in that city. It is anticipated that every province will be represented. H. G. Garrett of British Columbia will report on life insurance and A. E. Fisher, Saskatchewan, on fire insurance. H. D. McNairn of Ontario will give a report on automobile insurance and standard forms, uniform definitions and interpretation of underwriting powers of fire, marine and casualty companies, accident and sickness insurance legislation. Mr. McNairn and Georges Lafrance of Quebec will report jointly on credit and free insurance. Charles Heath of Manitoba will give a report on annual statement blanks. Mr. Heath is president, Mr. Fisher vice-president and Mr. McNairn, secretary and treasurer.

## Harrold New Superintendent

Succeeds Phipps in Continental Assurance Agency Division; Latter Is Educational Director

Fran E. Harrold of the Chicago branch office Continental Assurance, has been appointed superintendent of agents at the home office, effective Aug. 1. He is to be responsible for new life insurance production and will report to W. E. White, agency director.

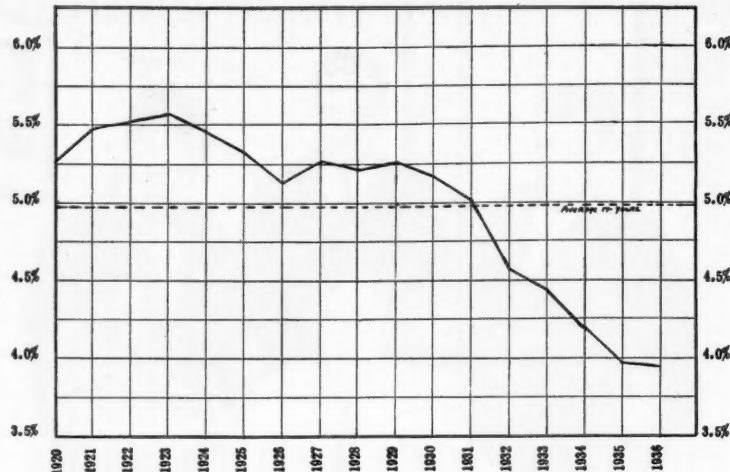
Mr. Harrold is a graduate of the University of Illinois. He started as agent in the Penn Mutual, then became supervisor. Leaving in 1932, he became associated with H. S. Vail & Sons, Chicago.

Mr. Harrold's appointment is in preparation for a drive for new general agents which will be made following the 250 Club trip to Quebec and the 1-2-0 Club convention at Chicago.

J. F. Croft, formerly in charge of sales promotion in outside offices, succeeds Mr. Harrold.

At the 1-2-0 Club convention, Ross E. Moyer, vice-president and actuary, will

## Interest Rate Near Lowest Point



Present economic conditions make it impossible to accurately predict the trend in interest rates. From the accompanying graph it appears that the downward trend since 1929 had almost reached the low point. No doubt it may be a number of years before any appreciable rise may be noted but the decline from 3.986 percent to 3.916 percent in 1936 should be reassuring to both company officials and policyholders.

Covering the last 17 years, the graph clearly indicates why the companies were forced to reduce dividends and the interest paid on policy proceeds and dividend accumulations. Should no further fall occur, as seems probable, no material change in dividends for the next few years is anticipated. The graph shows that even those companies on a 3½ percent basis have earned more than sufficient to maintain the interest on re-

serves.

The high interest point was in 1923 when the average was 5.55 percent. The downward trend was started in 1930 and fell rapidly until 1934. In 1935 a slightly lower decrease is seen and in 1936 the fall was practically negligible.

The dotted line shows the average for the 17-year period. It is interesting to note that 12 years' experience above the average was wiped out in the period 1931-1936.

The calculations were made by finding the average of the 50 leading companies. Ratios published in the Unique Manual Digest and Little Gem Life Chart were used. These ratios give a slightly higher figure than the regular convention gain and loss exhibit since assets not invested, including funds on deposit not at interest, have been eliminated.

## NEWS OF WEEK

New life sales for first six months are up 8.9 percent over same 1936 period. **Page 1**

More ordinary companies using monthly premium plans, find it works well. **Page 1**

Occupancies in residential real estate fields show excellent recovery. **Page 1**

W. J. Graham placed in charge of agency as well as group department of Equitable Life of New York. **Page 3**

Program is announced for the annual meeting of the Association of Superintendents of Insurance of the Provinces of Canada. **Page 6**

Some improvement in mortality ratio in six months of 1937 shown by majority of companies responding to questionnaire. **Page 5**

Mutual Benefit Life appoints Paul Cook and M. B. Parsons as Chicago general agents succeeding the A. A. Drew agency. **Page 3**

New York appellate division decided that insurer may distinguish in making dividend distribution between policies with disability provision and those without, even though disability feature is contained in a rider instead of being an integral part of the contract. **Page 8**

Future headaches seen in rush to transfer policies to wives of policyholders. **Page 8**

Unusual buying power survey conducted by W. M. Rothaermel, Equitable of New York official in Chicago, greatly aids agency building. **Page 4**

James P. Sullivan, well known life insurance character in Chicago, died this week. **Page 2**

George A. Patton, new vice-president and agency manager of the Mutual Life of New York, is a believer in fundamentals. **Page 2**

## Buying Power Study Helps in Agency Building Program

SERVES AS MEASURING STICK

Unusual Method Developed by W. M. Rothaermel, Equitable, N. Y., Official in Chicago

An unusual method for definitizing the job of agency building in any territory, metropolitan or rural, has been worked out over the last seven or eight years by W. M. Rothaermel, superintendent of agents, central department, Equitable Life of New York, Chicago. Mr. Rothaermel's method of attack was a study of buying power in its relationship to life insurance sales.

Among definite results in his department in the last five years are that the number of agents needed to produce \$1,000,000 of business has dropped from 18 to 14, the number of club members per \$1,000,000 has increased from 3½ to over 4; about 30 percent of agents under contract are club members as compared to 20 percent, an increase of 50 percent, and the number of agents under contract has been cut approximately 20 percent, many part-timers being eliminated.

### No Saturation Point

The study, Mr. Rothaermel states, proved there is no saturation point in life insurance. In a county in Minnesota agents have been increased until there is one to each 3,500 of population and the Equitable is securing there about \$40 of life insurance per capita, or eight times the life insurance buying power as developed in the survey, he said.

Mr. Rothaermel began the study when he found many managers did not have much conception how to go about building an agency. They might decide they wanted \$1,000,000 of paid business out of their territory annually but did not know how to build definitely to this goal. Now, Mr. Rothaermel says, his data, based on the Sales Research Bureau study, annual production of the Equitable segregated by territories, population by territories and even counties, etc., provide a definite program based on proved Equitable experience by which it should be possible to reach any goal however large.

### Methods of Analysis

Three bases of analysis of buying power are open, he says, one the per capita basis applied to one's own company's business; second, a percentage formula giving the relation of the company's production to the total life insurance buying power as shown by Research Bureau figures, and last, the more accurate basis of relating the company's production to country or territorywide production of all companies and the ratio of agents to population.

The Research Bureau study gives life insurance buying power sub-divided by counties for all states. For several years Mr. Rothaermel has analyzed these figures by counties, employing them, however, in relation to population and number of agents.

He prepared maps showing by territories where the Equitable's production was below par, equal to or above par, indicating the territories by coloring sections respectively red, green and blue. The green sections were those in which the Equitable's production was within 10 percent of what it should be, determined by relating the entire society's production to that of all companies countrywide. Full time agents were indicated on the map by red dots, the part-timers, one-half dots, and gold dots for club members.

A study of the figures indicated one agent was needed for 10,000 of population to maintain par production. This formula, based on actual experience, has worked out very well, Mr. Rothaermel said. It has greatly aided in formulating agency building plans.

## Where in \_\_\_\_\_ \*

Is there a life insurance salesman who has the yen to be No. 1 man in the entire state for a Mutual legal reserve life company?

Only a man with a decent P.P.† record who can attract live men, can make this opportunity worth a whoop, but to such it's an Op. with a capital O.

Address in confidence G. X. P., care National Underwriter.

\*Iowa—the whole state of Iowa.

†Personal production.



## Apparently No Basis for Belief Mortality Rising

### MOST COMPANIES SHOW DROP

#### Informal Answers to Questionnaire Indicate Some Improvement in Ratio for Six Months

There has been an impression this year that mortality is rising, which is not confirmed by informal reports from a number of leading companies. It is true the curve of cardio-vascular-renal diseases continues upward and deaths from these causes are on the increase and present a very difficult problem for life companies. However, savings are reflected in other causes of death and there appears no justification for a general statement that life insurance mortality is rising. Comment at the recent annual meeting of the American Institute of Actuaries in Chicago was that the mortality curve this year was about level.

Among the companies selected for tests only a few definitely reported increased mortality. The Great-West Life of Winnipeg stated its mortality experience the first six months this year was slightly in excess of that for the same period last year. The Northwestern Mutual Life stated estimated mortality for the first half year was 58.31 percent actual to expected, compared to 57.45 percent for the same period last year. The Massachusetts Mutual Life reports mortality for six months was 62.5 percent compared to 58.6 percent for the six months of last year, the higher 1937 mortality arising from abnormal losses occurring in May and June. The National Life of Vermont reports 58.7 percent compared to 56 percent a year ago.

#### Duplicating 1936 Experience

On the other hand, the Manufacturers Life of Toronto reports mortality closely paralleling the first half of 1936, which was considered to be quite favorable. The company does not prepare interim mortality figures on the same basis as used in the annual convention statement, so is unable to furnish comparative figures at this time.

The Sun Life of Canada reports for the first half year mortality ratio has shown a marked reduction to about 50 percent. For the first six months last year the ratio of actual to expected mortality was approximately 60 percent, while for the whole year it was 58 percent.

The New England Mutual Life reports the ratio for the first six months 56.85 percent compared to 59.89 percent for the corresponding period in 1936.

The State Mutual Life reports 57.84 percent as against 65.58 percent in the same period of 1936.

#### Another Reports Reduction

Another large company reports for the six months mortality appears to be about 2.4 percent lower than for the corresponding period in 1936, "but it is still higher than we should like to have it, largely because our ultimate mortality is relatively unsatisfactory. We have no reason to complain about our select mortality ratio." The actuarial department of this company states, generally speaking in making comparisons, the shorter the period covered by the ratio, the greater the fluctuation is likely to be, and also the greater the probability that the ratio may be misunderstood as representing a more permanent trend.

The Equitable Life of Iowa reports estimated ratio of actual to expected mortality for the first six months is 45.2 percent compared to 48.8 percent in 1936.

The Canada Life of Toronto reports the ratio is 59.2 percent as against 61.9 for last year.

The Provident Mutual Life states the net mortality ratio for the first six months was 47 percent, as against 49.1 for last year.

Mortality ratio of 50.4 percent is re-

ported by the Phoenix Mutual as against 53.9 percent last year.

The Connecticut Mutual states its mortality for the half year was 59.3 percent. This compared to 54.6 percent last year.

The Mutual Life of Waterloo, Canada, reports mortality for the first half-year considerably below that for the same period in 1936.

The Mutual Benefit reports mortality for the first half of this year was computed to be 61 percent of expected, showing substantial improvement from 66.91 percent for the same period of 1936 and 68.33 percent in the first half of 1935.

Ordinary mortality, excluding group, was 59 percent in the first half year, compared to 61.1 percent last year, the John Hancock reports.

#### Richmond "Union" Organizes

J. F. Ellington, Life & Casualty of Tennessee, has been elected temporary chairman of the new Richmond, Va., chapter of National Association of Industrial Insurance Agents. H. C. Young of Washington, general counsel for the association, made a talk. R. A. West, Life of Virginia, was named secretary and Harold Hemingway of the same company, treasurer.

## Leaders Club President of Midland Mutual Life

Harold J. Plack, general agent of Midland Mutual Life at Peoria, Ill., who became president of the Midland Mutual Leaders Club, has made an outstanding success. He was formerly



HAROLD J. PLACK

of the Indianapolis Life at Davenport for 10 years prior to joining the Midland Mutual. The company has 50 members in the club who paid for over \$6,500,000 during the year ending June 30. H. D. P. Thomas of the Tice & Jeffers Agency,

Columbus, O., is vice-president, paying for the second largest volume.

#### Approve A. I. U. Building Sale

COLUMBUS, O., July 15.—The federal court has approved the sale of the A. I. U. building to the first mortgage bondholders for \$1,650,000, together with a reorganization plan. There will be two voting trusts, one of 50 percent on the stock of the bondholders and one of 50 percent on new stock to be released for the benefit of the policyholders of the Old American Insurance Union.

#### Can't Copyright Policies

OKLAHOMA CITY, July 15.—Life insurance policy forms changed and developed over a period of years are not subject to copyright, ruled Federal Judge Vaught in denying a writ of injunction sought by C. W. Dorsey, local insurance man, against the Old Surety Life. The plaintiff alleged infringement of a copyright he claims on a "group family life insurance policy."

W. T. Ginger has been made manager of the Bay Ridge Brooklyn office of the Colonial Life. He has been connected with the company for a number of years.

## HONORING N<sup>W</sup>NL's DISTINGUISHED DIRECTORATE



WARREN T. MOSMAN, Sculptor

SELDOM has a board of directors played so active and continuous a part in the history and development of a great life insurance company as the Directorate of Northwestern National Life Insurance Company has played in guiding this Company to its present position of leadership in its field.

Of the nine members of the Board, three are now in their 33rd year of service, and none has served less than nine years. All, therefore, have sat on the Board through the entire period of the great depression during which N<sup>W</sup>NL established a notable record of continuous growth and prog-

ress, without sacrifice of strength or stability.

It is with the thought of paying tribute to the invaluable contribution which its Directorate has made to N<sup>W</sup>NL's welfare and progress during the period in which the Company has risen to its present stature that the bronze medallion illustrated above has been prepared and is being distributed, in a limited way, to the N<sup>W</sup>NL Agency Organization. Stamped from heavy bronze, the medallion makes an ideal paper weight, and is a distinctive, useful, and lasting ornament to any desk.

## NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, Pres.

STRONG

Minneapolis, Minn.

LIBERAL



**Until he carries his own gold watch  
... will there be money every month?**

LOOK DOWN the long stretch of years until that baby boy becomes a man. These are the years of "growing up" when family needs are greatest and family expenses are heaviest.

If you live, you will stand ready to meet these expenses, of course. But could your family meet them without you, cut off from your regular pay-checks? The bills would come in just the same, you know, whether you were here or not.

**YOU CAN LEAVE \$100 EVERY MONTH FOR 20 YEARS if you're earning \$45 a week or more**

This new plan is called Multiple Protection. It is sponsored by The Union Central Life Insurance Company, a 70-year-old institution with over a billion dollars of insurance in force, offering all approved life plans.

The coupon below will bring you promptly, by mail, a booklet that gives you full details of the Multiple Protection Plan. Write for it today. There is no obligation.

THE UNION CENTRAL LIFE INSURANCE COMPANY  
Cincinnati, Ohio

**F**ATHERS SOMETIMES FAIL to realize how many years it takes for a child to grow up. It is the purpose of this Union Central national magazine advertisement for June to bring home that point . . . and to emphasize the vital need of *money every month* during all of these important years.

The advertisement explains how any father who earns \$45 a week or more can make certain, should he die, that his family would have \$100 *every month* for twenty years after his death. And that there would be, after that time, an adequate fund to take care of his wife for the rest of her life.

In spite of the fact that Union Central writes all approved life plans this new contract, called Multiple Protection, has accounted for more than one-third of the company's business during the past twelve months.

**The  
UNION CENTRAL LIFE  
Insurance Company**  
CINCINNATI, OHIO

*In the seventy years since the company was founded, Union Central has paid to policyholders and beneficiaries more than \$740,538,080.*

## VIEWED FROM NEW YORK

By R. B. MITCHELL

### SMERLING JOINS BOYCE

W. C. Smerling, assistant general agent of the S. S. Wolfson agency of Berkshire Life in New York City, has resigned to become production manager of the W. L. Boyce agency of Connecticut Mutual in the same city. Mr. Smerling went into the business in 1920 as an office boy in the Guardian Life actuarial department. In 1927 he joined the Landau agency of that company as office manager. One year later he became production manager. He joined the Wolfson agency in 1933. He is a member of the executive committees of the New York City Life Underwriters Association and of New York City Life Supervisors Association.

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### KATZMAN CONVENTION SPEAKER

S. J. Katzman of the Wofford agency of the Prudential in New York City was a speaker at a recent regional convention of the Prudential. Talking on programming, he said that selling a life insurance policy is only half of an agent's job and that arrangements for proper distribution of the proceeds of policies comprise the other half. Mr. Katzman pointed out that programs should be looked over periodically, at least every five years and should be revised oftener if there is a change in circumstances which warrants it. He enumerated the many advantages both to the client and to the agent in working on a program basis.

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### LUTHER-KEFFER OUTING

Awards for excellence in life insurance production and in the sports events of the day were made at the annual outing of the Luther-Keffer agency of the Aetna Life in New York City, held at Bonnie Briar country club, Larchmont, N. Y. O. A. Krebs, group manager, and Howard Wright, manager of the uptown branch, tied for low gross score in the golf tournament. E. H. White, manager estate analysis division, was second and Lionel Bernard was third. Low net scores were respectively as follows: William Root, Pat Pattane, and E. A. Muller, brokerage manager. W. W. Luman won the kickers' handicap. K. H. Newton and T. K. Best, Jr., were the winning tennis team. The prize for horseshoe-pitching went to the team composed of Leonard Pike and E. K. Rook.

The leading producers in the recent agency production contest were P. P. Schmidt, first, and M. A. Lowenberg.

Company officials who were guests included J. E. Lewis, resident vice-president in charge of general insurance lines in New York City, W. H. Dallas, assistant vice-president; Ralph McCreary, agency secretary; A. H. Hiatt, assistant superintendent of agencies; and C. W. Pickering, advertising manager.

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### CHANGING INVESTMENT POLICY

The "Wall Street Journal" in commenting on trends in life insurance investments, says:

"Further evidence of a change in life companies investment policies is contained in the most recent investment report. In the week ended June 26, purchases of miscellaneous bonds far exceeded investments in any other category, totaling \$27,207,585, or 43.1 percent of the total funds placed during the period. This is probably the first time that the bulk of purchases has been in this classification. While it undoubtedly reflects the dearth of satisfactory securities in other fields, it also can be attributed, in part at least, to the increasing number of direct private purchases and to the wider latitude given New York companies in respect to investments under the recently amended law. Another significant aspect of the current report is the comparatively large investment in miscellaneous stocks, which bears out previous intimations that life

firms were considering purchases of preferred stocks. As yet, most of their activity in this field has been confined to the new issue market, although open market purchases might be attempted if fairly large blocks were available at satisfactory prices."

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### "EAGLE" ARTICLE BY LOVELACE

Vice-president G. M. Lovelace of the New York Life contributed an article to the recent annual "Parents' Guide" section of the Brooklyn "Daily Eagle," in which he discussed life insurance and the obligations of parents to the child from a financial point of view.

"In his financial experience, the average man is something of a utilitarian," Mr. Lovelace writes. "Lacking experience and expert knowledge, he saves and invests and loses money and retravels the vicious cycle again and again."

"For his financial problems, life insurance is a practical solution, as simple as any and safer than most of the plans that we know of; and it is unique in guaranteeing that if you don't live it will pay your family what you would have received if you had lived and matured your policies."

"As a way to financial independence in old age, life insurance is a safe, smooth road leading always directly toward the end in view. There are no winding turns, no ups-and-downs. Traffic laws are strict. There are no bursts of speed, followed by stops to repair a flat tire. Just an uninterrupted, steady progress toward the goal a man sets when he buys his insurance."

Mr. Lovelace calls attention to the advantages of a program basis rather than merely a collection of policies. In outlining the various uses for insurance, it is worth noting that he uses a rather unusual term "clearance funds" instead of the more usual but perhaps too bald designation, "clean-up fund."

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### R. A. EVANS TO NEW HAVEN

R. A. Evans, Jr., assistant manager Larkin agency Connecticut General Life in New York City, has been appointed district manager in New Haven under F. O. H. Williams, the Connecticut General's state manager. Mr. Evans joined the company nearly two years ago, having been brought in by T. G. Murrell who preceded Manager M. Larkin as head of the 225 Broadway office.

Mr. Evans is a Cornell graduate. He is particularly well versed in the tax

## Sets a Record



MRS. RUTH SHRIER, Pontiac, Ill.

Mrs. Ruth Shrier, agent of the Sun Life of Canada at Pontiac, Ill., who secured 61 applications and \$103,000 paid for business in one day, broke all records for Sun Life agents. On March 3 D. E. Dale of Edwardsville, Ill., wrote 60 applications but Mrs. Shrier nosed him out.



settlement options angles of life insurance. He was formerly with the Massachusetts Mutual Life in New York City. The number of assistant managers of the Larkin agency will remain the same, J. H. Pitman having recently been appointed as an assistant manager. He has been with the agency for some time.

### Issues Unusual Contract

#### Kansas City Life Modifies Family Income, Paying Proceeds Then Income for Period

The Kansas City Life has announced, effective Aug. 1, a new policy that reverses the procedure under the family income form. It is in the form of a rider or endorsement which adds term coverage sufficient to carry out the additional provisions. This rider provides for three plans—10, 15 or 20 year dependency period. Under it the proceeds would be paid immediately at death in the prescribed period, and then the monthly income would be paid, starting one month from date and running for the full 10, 15 or 20 year dependency period. Under the original family income form as devised by the Continental American Life, the monthly income was payable from death during the dependency period for the years remaining in the period. As later modified by many companies, the income was payable for a set number of years if death occurs within a specified initial period.

#### Is Widely Applicable

The Kansas City Life's rider is applicable to practically all life and endowment forms, even term insurance, the only exceptions being joint life and the semi-deferred annuity at 65 plans. However, it will be applied at present only to new and not to existing policies. The Kansas City Life will pay regular commissions on the additional premium, as for the form to which the rider is attached. The additional premiums per \$1,000 for this unusual coverage, which as yet, it is said, is given by no other company, are:

	Dependency Period—		
	10	15	20
20	\$ 8.67	\$12.22	\$15.44
25	9.04	12.86	16.41
30	9.69	13.81	17.94
35	10.45	15.38	20.61
40	11.92	18.18	25.24
45	14.58	23.14	...
50	19.40	...	...

### Annuity Premium Tax Test Case Started in Missouri

JEFFERSON CITY, July 15.—Aetna Life has applied to the Missouri supreme court for a writ to compel Superintendent O'Malley to withdraw a \$4,135 levy which represents 2 percent tax on its 1936 annuity "premiums" in Missouri. The company contends that such contracts are not "insurance" within the meaning of the premium tax law.

The suit is a "friendly" test action. The department will take no action against other companies that have not paid the tax on annuities until there is a final ruling in the Aetna case.

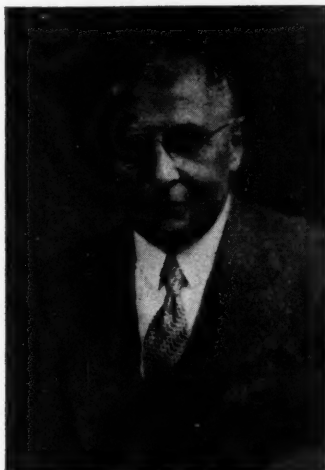
### Indianapolis Life Prizes

The president's trophy, a silver loving cup, offered by the Indianapolis Life through its president, E. B. Raub, to the man getting the most "home runs"—applications for \$5,000 or more during a recent three months baseball contest, will have to be two trophies. H. B. Veazey and E. T. Russell, both of San Antonio, tied for the honor.

The LeRoy Portteus vice-president's award, consisting of a wrist watch for largest number of applications accompanied by settlements, went to H. R. Buxton, Shelbyville, Ind.

The award offered through A. H. Kaber, superintendent of agents, to the manager, captain and trainer of the winning baseball team goes to H. B. Veazey, manager; J. T. McClelland, Houston, captain, and Geo. E. Woods, Houston, trainer.

### Completes 50 Years with Equitable Life of N. Y.



M. J. KONIGER

M. J. Koniger, superintendent of the Equitable Life of New York's bureau of lay underwriters, has just completed 50 years of service with the company. He joined the Equitable July 11, 1887.

Mr. Koniger's entire career has been in the actuarial and underwriting departments. He is one of the six selection officials who organized the Home Office Life Underwriters Association in 1930. Among Equitable agents as well as among home office underwriters generally, he is highly regarded for the soundness and consistency of his underwriting procedure.

#### Headed Lay Underwriters

After some three decades of increasing responsibilities Mr. Koniger was made assistant superintendent of the bureau of issue in 1919 when the bureau of insurance was split into the bureau of issue and the bureau of claims. At the same time he continued in full charge of the reviewing division. In 1935 the reviewing division was redesignated as the bureau of lay underwriters and Mr. Koniger was placed in charge as superintendent.

Mr. Koniger's career has spanned the entire period of development of present day underwriting practices. When he joined the Equitable it was the custom of companies generally to consider only the medical aspects of a case. Then other factors as well began to be taken into consideration, such as occupation, residence, travel, and particularly the financial and moral hazard aspects of applicants.

### Statement Publication No Longer Required in Illinois

The provision in the Illinois code that a company must have a total of \$200,000 on deposit in any or all states will necessitate a few companies increasing their deposits. Some companies do not have that amount on deposit. The provision affecting foreign and alien companies is outlined in section 111, subsection 3; domestic companies, section 26.

The Illinois code makes no mention of publication of annual statements. Under the old laws, companies were required to publish a digest of their annual statements in a newspaper in Springfield and in Chicago. The publication requirement is now eliminated. During the regime of Insurance Director Palmer most of the companies have been remitting to the insurance department and Mr. Palmer has directed the advertising.

New improved settlement option slide rule and instruction book. \$1.50. Order from National Underwriter.

"The sun shines  
bright in . . ."



"MY OLD KENTUCKY HOME"  
BARDSTOWN, KENTUCKY

. . . and all is cheerfulness and satisfaction with the Kentucky Home Mutual Life Insurance Company—**cheerfulness** over its future prospects and **satisfaction** with the progress being made by this, the South's largest mutual legal-reserve life insurance company.

The Kentucky Home Mutual is looking for capable salesmen, and offers to men and women who contract with it, liberal commissions and a complete line of policies, including Juvenile, Retirement Income and Group. Through a Steady Worker Club, now being organized among its field representatives, it is working out a social security plan guaranteeing them **real protection**, in their old age. Correspondence with men and women who are looking for a **future** in life underwriting is invited.

Admitted assets .....	\$ 13,188,105.13
Reserves and liabilities .....	12,821,267.52
Surplus .....	366,837.61

**Insurance in force**  
**December 31, 1936** **\$46,685,570.00**

## Kentucky Home Mutual Life Insurance Company

Ellsworth Regenstein, President and Director of Agencies  
Home Office: Louisville, Kentucky

## Policy in Wife's Name May Cause Trouble for Agents

### DOMESTIC STATUS CAN ALTER

Insured Should Be Given to Understand Wide Range of Possibilities That May Arise

NEW YORK, July 15.—Possibilities of headaches 10, 15, or 20 years from now are foreseen by some home office settlement option experts in the present marked tendency of policyholders to give up the ownership of their policies in order to effect tax savings. It is feared that overdoing this practice will result not only in dissatisfaction to the insured but to agents who may have been overzealous in urging such a change without letting the insured know exactly what he was getting into.

#### Overemphasize Advantages

Many times agents suggest to policyholders that they divest themselves of ownership of their policies and sometimes it is a question whether the agent is not guilty of overemphasizing the advantages of doing so because he wants to do something that the insured will deem helpful. The tax saving, granted a continuation of present circumstances until the insured's death, is attractive in such cases. But there is always the danger even in the best regulated families, that domestic harmony will not prevail in the future to the extent that it does at present.

#### Wife Has Undisputed Control

Just now the absolute and undisputed possession of several thousands or perhaps many thousands of dollars is going to affect the actions of a man's wife if she should choose to take the bit in her teeth is something which the conscientious agent is in duty bound to bring to the attention of his policyholder along with the more obvious advantages of the proposed change.

There is even the possibility that such a fund might be used by a wife as a divorce war chest, enabling her to take her troubles to Reno when an amicable settlement might otherwise be worked out. Such a cynical attitude toward the institution of marriage is of course not justified in many cases, but the man who finds himself on the losing end because he thought that carrying his insurance in his wife's name was just a technicality is not likely to think any too kindly of the agent who advised him.

## At E. A. Woods Co. Meeting



At the annual agency meeting of the Edward A. Woods Company of Pittsburgh, general agent of the Equitable Life of New York, at Atlantic City, the Duff family participated in regal style. William M. Duff, president of the agency, is at the left of the picture and to his right are Mrs. Duff, Charlotte and Letitia Duff, daughters.

### Disability Angle Involved in Michigan Group Case

LANSING, MICH., July 15.—The Michigan supreme court has recognized the possibility that a suicide victim's heirs might be entitled to insurance payments under a factory group policy if his suicidal act was the outcome of total and permanent disablement sustained while still employed.

In the case of Theresa Rusanda vs. Aetna Life a new trial is ordered in an opinion written by Justice Butzel in which the court is ordered to submit to the jury the question of whether the insured employee was totally disabled before his suicide. There was testimony he had gone to a doctor who had diagnosed his case as nervous exhaustion and neurosis, prescribing complete rest and certain medicines. The doctor testified the man's suicide in December was directly attributable to the condition he discovered in September. The court pointed out that the master policy, which

must be deemed a part of the contract, provided that the coverage was extended if an insured became totally and permanently disabled. The issue should have gone to the jury, rather than giving a directed verdict for defendant.

#### Finger Heads Managers

A news item erroneously stated that Ray H. Finger, branch manager at Seattle for the Sun Life of Canada, had been elected president of the Seattle Life Underwriters Association. He was, in fact, elected chairman of the Seattle Managers Association. Fred Elo in January was elected president of the Seattle underwriters.

#### Illinois Federation Meeting

The Insurance Federation of Illinois had its annual meeting in Aurora Thursday. There was a short business session and lunch, followed by golf in the afternoon and dinner. About 40 attended. W. H. Hansmann of the Fidelity & Deposit, president, presided.

## "Rider" Form Doesn't Alter the Right to Distinguish

### N. Y. LIFE RULE CONTROLS

May Pay Smaller Dividend to Disability Policyholders Even Though Endorsement Is Used

Except for the possibility of an appeal to the New York court of appeals in the case of Rubin vs. Metropolitan Life, the right of life companies to distinguish in making dividend distribution between policies containing the disability clause and those that do not seems firmly established. The New York appellate division, first department, has given a decision favoring the Metropolitan Life on this issue.

In Rhine vs. New York Life, the New York court of appeals decided that New York Life was justified in making such a distinction. However, some doubt existed as to the applicability of this decision to other companies. The disability feature of the New York Life is an integral part of the contract, whereas in most other companies disability benefits are provided in a rider form entitled "Supplementary contract attached to and made a part of" the policy.

The New York appellate division decided that the distinction is one of form only. No difference exists between the two methods of including disability benefits. In neither case do the disability provisions constitute separate contracts of insurance, even though they show separately the additional premium for the disability benefit as required by state regulation.

The disability "rider" by itself is incomplete and meaningless, and, except by reference to the remaining provisions of the policy, fails to disclose most of the essential terms. The policy describes itself many times as a single policy. These circumstances, without reference to many others, according to the court, require the conclusion that the policy, together with the supplementary contract, constitutes a single instrument, both by physical union and in legal effect.

#### Minnesota Tax Provisions

ST. PAUL, July 15.—As finally approved by both houses of the Minnesota legislature, the income and inheritance tax measures contain the following provisions:

Insurance companies must hereafter pay a state income tax but are allowed an offset up to the amount of the premium tax which they pay.

Proceeds of life and accident and health policies are made subject to the new state inheritance tax with an exemption of \$32,500.

Insurance men as individuals will be hit rather hard by the new income tax rates, which are sharply higher than heretofore. Many agents and solicitors who heretofore have escaped the state income tax entirely or have had to pay but a small amount will have to contribute considerably more under the new law.

#### Knights Life Appointments

The Knights Life of Pittsburgh has made a number of transfers and promotions, as follows:

Former assistant superintendent J. P. Schnable, Pittsburgh 2, to home office industrial department manager; Agent B. A. Dillon, Uniontown, Pa., to assistant superintendent in Uniontown; Agent L. M. Stinebiser, Greensburg, Pa., to assistant superintendent in Philadelphia; Agent H. E. Leedom, Philadelphia 2, to assistant superintendent in Philadelphia; Agent R. A. Mullaney, Uniontown, to assistant superintendent in Erie; Agent John J. McDevitt, Philadelphia 1, to assistant superintendent in Philadelphia; Agent Leo F. Klimke, Pittsburgh 1, to home office special canvasser.

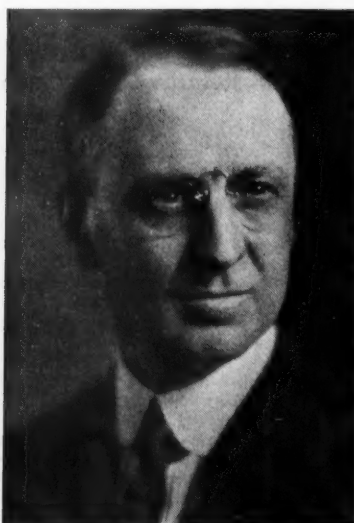
## FIGURE IN MUTUAL BENEFIT CHANGE



PAUL COOK



M. BRUCE PARSONS



ALANSON S. INGERSOLL

Paul Cook and M. Bruce Parsons have been appointed Chicago general agents of Mutual Benefit. Alanson S. Ingersoll will conduct a collection office, serving both agencies.



## Equitable of Iowa Holds Annual Agents' Convention

### MEET AT MACKINAC ISLAND

**President H. S. Nollen Heads List of Speakers—Stress Investment and Conservation Activities**

MACKINAC ISLAND, MICH., July 15.—More than 300 agents, agency heads, guests and home office officials of the Equitable Life of Iowa attended the annual convention of the Production and Organization Clubs. The home office delegation was headed by President H. S. Nollen, Vice-president and Treasurer F. W. Hubbell, Vice-president and Actuary R. G. Hunter, and Acting Superintendent of Agencies R. E. Fuller. The following are club officers: President's, president, G. W. Randall, Williamsport; vice-president, R. H. Sheldon, Los Angeles, and secretary, A. R. Crawford, Chicago. Agency, president, G. L. Maltby, Kansas City; vice-president, Ben Bloch, Peoria, and secretary, D. H. Swartz, Detroit. Organization, president, Fred Zweifel, general agent, Toledo, and vice-president, C. R. Walker, general agent, Cleveland.

#### Nollen Gives Address

President Nollen opened the program with an address as the keynote, "Profitable Selling." There followed detailed discussion on "Profitable Investments" by Mr. Hubbell, in which he discussed investment problems facing the business today and explained the manner in which the Equitable of Iowa is meeting such problems. Harvey Nelson, a veteran member of the W. F. Crawford agency, Chicago, and a company leader in writing of business of a high rate of persistency, spoke on "Profits Through Conservation," and Ben Bloch, a member of the Peoria, Ill., agency and the leading member of the One-a-Week Club with 922 consecutive weeks of production to his credit, spoke on "Profits Through One-a-Week Club Production." Recognition to leaders in conservation was accorded by Mr. Hunter, and recognition to leaders in One-a-Week Club activities was made by A. S. Anderson, manager service section of the agency department. The session was concluded with an address "Profitable Objectives," delivered by E. E. Cooper, agency assistant.

#### Reception for Leaders

The banquet was preceded by a reception for the members of the Royal Order of WOIF and their wives, an honor group composed of agents who had secured premium qualification for the 1938 Agency Club by June 30, 1937. At the banquet J. L. Emerick of the Albany, N. Y., agency, was introduced as the 1937 member of the Hall of Honor, recognition annually conferred upon the agent of 10 or more years of service whose record of production, conservation and average size policy is outstanding. P. B. Rice, Harrisburg, Pa., was introduced as the general agent who had won in 1936 the honor of master agency builder. G. W. Randall, president President's Club and producer of \$1,085,151 of business in 1936, was introduced as the leading producer. He had already exceeded the high production total he achieved last year, the first six months of 1937. A. R. Gwinn, Decatur, Ill., was presented as the 1937 winner of the annual Kirk Memorial Cup essay contest. The banquet was concluded by an informal talk by President Nollen.

The next day's activities were opened with a breakfast tendered to the company's C. L. U.'s, 14 present, which was presided over by E. E. Smith, agency secretary. The convention session held during the morning and presided over by Mr. Fuller featured the following addresses: "Profitable Underwriting," Dr. R. R. Simmons, medical director; "Profitable Policies," P. C. Irwin, assistant actuary; "A Profitable Presenta-

tion," G. V. Fort, field supervisor; "Gold in Them Thar Hills," G. W. Randall, Williamsport agency; "Profitable Prestige Building," G. L. Maltby, Kansas City agency. The session, which concluded the joint meetings of the three clubs, was closed with the address of President Nollen, "Our Calling."

The annual Organization Club meeting and the president's banquet were held. The program for the meeting of the agency heads was as follows: "Profitable Selling," P. K. Adams, assistant superintendent of agencies; "Planned Presentation to Prospective Agents," E. E. Cooper, agency assistant; "Planned Prospecting for New Agents," Fred Zweifel, general agent, Toledo; "Planned Selection of New Agents," P. B. Rice, general agent, Harrisburg; "Profitable Training," E. E. Smith, agency secretary; "Planned Group Training," H. S. Bell, general agent, Seattle; "Planned Individual Training," N. C. Day, general agent, Burlington; "Planned Coaching on the Job," L. V. Barnes, agency manager, Nebraska, and "Profitable Building," H. S. Nollen, president.

Dr. J. B. Wachtel, agent of the Pacific Mutual in Oklahoma City, was voted most useful field man in the Oklahoma agency, at the annual outing and agency meeting at Spavinaw Lake.

## Directors of Northwestern National Are Given Medals

Directors of the Northwestern National Life of Minneapolis were honored by being presented specially designed solid bronze desk weights. On one side appear bas-relief likenesses of the nine directors and on the other side a design symbolizing life insurance protection, and the legend, "The men who direct the destinies of an institution are as important an indication of its strength as are the figures of its financial statement." These bronze medallions have been distributed in a limited way to agents and home office and branch employees of 10 years service or more.

The directors to whom the tribute was paid are: F. A. Chamberlain, executive chairman, First National Bank & Trust Company, Minneapolis; E. W. Decker, Decker, Barrows & Co.; C. T. Jaffray, president Minneapolis, St. Paul & Sault Ste. Marie Railway; Theodore Wold, president Northwestern National Bank & Trust Company; E. L. Carpenter, board chairman, Shevlin, Carpenter & Clarke Company; A. F. Pillsbury, treasurer Pillsbury Flour Mills Company; T. F. Wallace, president Farmers & Me-

chanics Savings Bank; F. T. Heffelfinger, president H. H. Peavy & Co., and O. J. Arnold, president and managing director Northwestern National since 1925. Messrs. Chamberlain, Decker, and Jaffray have served continuously on the board since 1905 and no member has served less than nine years.

W. T. Mosman, who designed and executed the medallion, is a young sculptor whose work has won international recognition, winner of the Alice Kimball English traveling scholarship and the Prix de Rome 1931-34.

## Outlaws Agency Contract Clause

On the ground that a clause in the agency contract providing for the forfeiture of renewals should the agent at any time represent another company upon ceasing to represent the Sun Life is a penalty clause and hence illegal, the Georgia court of appeals has overruled a lower court decision in favor of the insurer. The suit for renewal commissions was brought by J. T. Carson of Atlanta, who formerly represented the Sun in that city. The clause, according to the court of appeals, is the same as if an agent for a consideration had agreed not to become employed by a rival company and to pay a penalty on doing so.

# MINNESOTA MUTUAL

Ranks with the biggest and best on the six fundamental measures. For instance, take the low Mortality Rate. Figures are percent of actual to expected mortality during 1936.



Average of 25 largest companies . . . . .	60.7%*
MINNESOTA MUTUAL . . . . .	52.1%
Average—25 largest Mutuals . . . . .	58.0%*

### WE OFFER:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for your agents.
6. A unique supervisory system.
7. Organized Selling Plan.
8. Unusually effective selling equipment.
9. Policies for every purpose: Regular — Juvenile — Women — Group — Payroll Savings, etc.
10. Low Monthly Premiums.

A \$200,000,000.00 Mutual Company, 57 years old with an understanding co-operative Home Office.

This is the fifth of six statements of FACT about the Minnesota Mutual. If you want them all at once, write us for our booklet "FACTS."

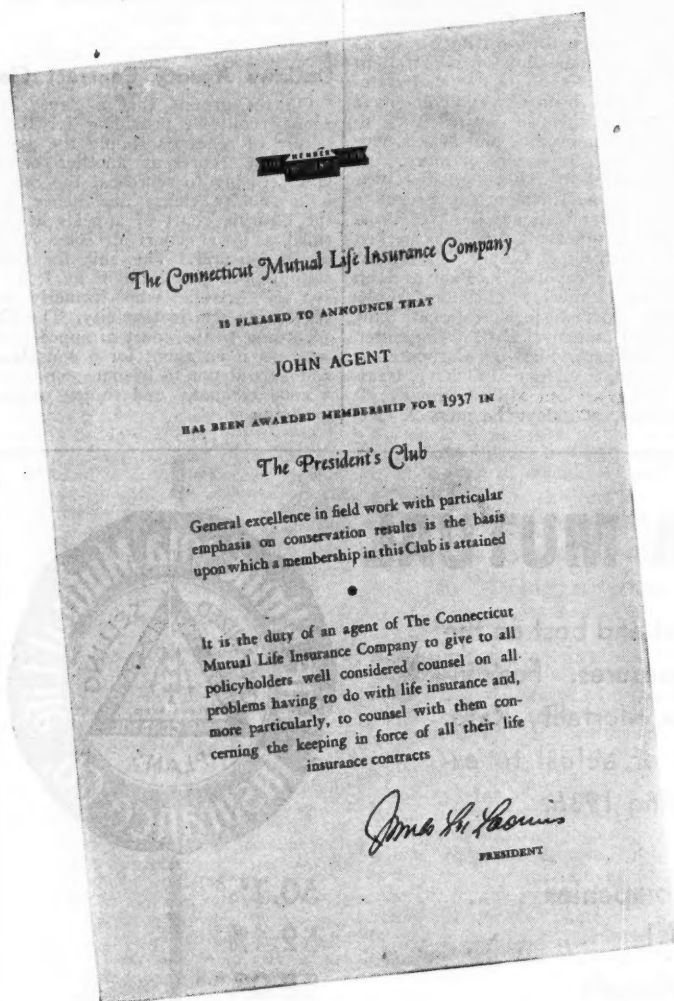
# THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

SAINT PAUL, MINNESOTA

\*From Spectator Life Agents Brief—1936 Edition

# 914 Years

of DEPENDABLE PERFORMANCE



Organized in 1935, the President's Club has had a steady growth in membership each year.

An announcement of the achievement of membership in this club is sent by the Company to the policyholders of each member.

The  
**CONNECTICUT MUTUAL LIFE**  
INSURANCE COMPANY • HARTFORD

## Lorraine Sinton Author of New Insurance Book

The Insurance Research & Review Service of Indianapolis has brought out a new book by Miss Lorraine Sinton, agency service secretary in the Mutual Benefit Life Chicago agency. Miss Sinton is a C. L. U. and a young woman



MISS LORRAINE SINTON

of extended insurance knowledge. She is editor of the "Squab," Mutual Benefit Life's Chicago house organ. She is a woman of enthusiasm for her work. She knows its practical angles and has absorbed much life insurance information and atmosphere not only in her own office but in contact with successful life insurance people.

### Gets Many Interviews

Recently she got in touch with the millionaire writers in Chicago, studied their methods and digested them. In "Practical Prestige Building," her new work, she reports stories of the methods of 37 prominent Chicago life men. She collected a splendid array of actual exhibits, cards of introduction, letterheads, examples of all types of letters, blotters, Christmas cards, publicity reprints, reproductions of which appear in the book. She has secured these interviews, conducted them in a thoroughly ingenious way and after she mobilized the material then she whipped it into shape and got it down to a working basis, with the result that the book is packed full of practical information.

### Chicago Life Men Interviewed

Miss Sinton got in touch with some of the liveliest, most resourceful and most stimulating life insurance men of Chicago and the book is a composite of the best life insurance selling stuff of which they are capable. Those that she interviewed were A. E. Patterson, now vice-president Penn Mutual; R. I. Straus, Prudential; Bruce Parsons, Mutual Benefit; Richard Hanley, Equitable of New York; John R. Hastie, Mutual Life of New York; Samuel Lustgarten, Equitable, N. Y.; Louis Behr, Equitable, N. Y.; Norris H. Bokum, Massachusetts Mutual; J. H. Brennan, Fidelity Mutual; Mortimer Buckley, Provident Mutual; Paul W. Cook, Mutual Benefit; Isak Dahle, Equitable, N. Y.; L. J. Fohr, Connecticut Mutual; A. R. Houle, Mutual Benefit; Herman Kramer, Penn Mutual; A. L. Lanphear, Equitable, Ia.; Marc Law, National, Vt.; R. A. Lunde, Sun Life of Canada; Eugene Lysen, New York Life; D. A. Medaris, John Hancock Mutual; John Morrell, Equitable, N. Y.; H. K. Nickell, Connecticut General; A. W. Ormiston, Travelers; R. J. Wiese, State Mutual; Harry T. Wright, Equitable, N. Y.; A. J. Johannsen, Northwestern Mutual; Harry Steiner, Equitable, N. Y.; Walter Hiller, Penn Mutual; F. H. Foreman, Mutual Life, N. Y.; M. Lee Alberts, Equitable, N. Y.; Samuel Kahl, Penn Mutual; E. G. Davies, tax consultant; A. R. Miller,

New England Mutual; Malcolm Vail, broker; C. B. Stumes, Penn Mutual; James McNamara, Equitable, N. Y.; P. W. Petersen, broker.

Miss Sinton graduated from the University of Chicago, majoring in economics. One of her close friends and classmates was a young woman who afterwards became the wife of Paul W. Cook, who heads one of the new general agencies of the Mutual Benefit Life in Chicago. In fact, Mr. Cook himself was taking a post-graduate course in economics and thus came in contact with the two girls. Miss Sinton spent two years in sales production work in the cosmetic field but she desired to get into a more constructive line of business and thus was drawn to the A. A. Drew agency. She gave life insurance an intensive study and in a few years has become an expert.

### Gets the C. L. U. Degree

She passed all the C. L. U. examinations in 1936, being one of the six women C. L. U.s in Chicago. Her title in the Mutual Benefit agency is "editor, librarian and agency service secretary," she having been in that position for nine and a half years. She is particularly interested in sales promotion activities. Miss Sinton won merited acclaim on account of her editorship of the "Squab," which is a constructive, sprightly and helpful agency paper dealing with very practical and useful problems. She was asked to make the survey among Chicago's leading life men, the first of its kind, which gave her the material for her book because of her proximity to so many life insurance leaders. She has studied carefully the features of agency work. She is a vivacious young woman of a glamorous nature, very much interested in life insurance. She will be associated with Mr. Cook's agency and will carry on about the same work she has been doing in the past.

## Equitable's Central Division in Increase for Half Year

Paid increase of about 3 percent is reported by the central department of the Equitable Life of New York in the half-year. The department paid for \$95,285,930, an increase of \$2,668,000, and in June paid for \$15,671,775, which was an increase. Chicago agencies for the half-year reported \$31,452,000, a slight increase, and in June \$5,003,000.

There were five million dollar agencies: A. M. Embury, Kansas City, \$1,285,689; R. M. Ryan, Detroit, \$1,242,709; W. V. Woody, Chicago, \$1,048,996; H. L. Rogers, Indianapolis, \$1,022,000, and M. C. Nelson, Des Moines, \$1,019,000. Other agencies with large production were: P. B. Hobbs, Chicago, \$981,219; Samuel Lustgarten, Chicago, \$923,414; E. L. Carson, Milwaukee, \$846,408; A. B. Shea, Minneapolis, \$802,000, and S. D. Krueger, St. Paul, \$760,706.

## Completion of Study Course Indiana License Requisite

Commissioner Newbauer of Indiana has issued a bulletin to all life companies licensed in that state that "applicants for license to act as life insurance agents in Indiana are required to submit evidence that they have completed a course of study in life insurance approved by the department or agree to study such an approved course and submit to an examination thereon within a period of six months from date of such application. Waiver of this provision will be hereafter granted to applicants who submit evidence of having completed a course in this subject at some accredited university or college."

One of the purposes of this announcement is to encourage inclusion of life courses by colleges and universities.

Miss Edith Baxter, secretary to Charles F. Linder of the Pacific Mutual at Oklahoma City, was elected president of the Oklahoma City Business & Professional Women's Club. She is representing the club at the national convention at Atlantic City.



## Sullivan, Stormy Petrel of Life Insurance, Dead

(CONTINUED FROM PAGE 2)

He resigned from the Farmers & Bankers Life and organized the Great State Life of Wichita, which eventually was reinsured in the old Royal Union Life of Des Moines. He then became agency manager of the Continental Life of St. Louis.

It was following this that Mr. Sullivan entered on a spectacular career bringing out a sort of eccentric and erratic personality. In the old days he was a great advocate of endowment and investment insurance but he broke away entirely from that mooring.

He became St. Louis manager of the Lincoln National Life. He evolved the "Emancipator" policy and began to attract much attention in that city. Many of the other general agents began to fight him. They claimed that he was a twister. They put their cause before the state insurance department. It ended with Mr. Sullivan bringing suit against some of the general agents. He had a war on with the state department over his license, the Lincoln National canceled his contract and he brought suit against that company. About this time Calvin Coolidge in a broadcast issued a warning against "twisters." Mr. Sullivan brought suit against the New York Life and Mr. Coolidge, the latter then being a director of the company. This brought him into national prominence. He brought suit against the Alfred M. Best Company and Mr. Best for libel and damages in connection with his St. Louis warfare.

His argument for the Coolidge suit was that the St. Louis issue was on at that time and the ex-President had him in mind, far fetched but it fed Mr. Sullivan's itch for publicity.

### Returned to Illinois Life and Chicago Soil

Practically seeing his usefulness in St. Louis at an end he migrated to Chicago, made a contract with the Illinois Life and the late President R. W. Stevens, brought out a policy for it similar to the "Emancipator" and immediately Chicago general agents were on his trail. They took their cause before the Better Business Bureau and a committee interviewed Mr. Stevens, who, however, refused to see them unless Mr. Sullivan were present. Later, following the failure of the Illinois Life he and his brother made a contract with the Illinois Bankers Life.

Mr. Sullivan was the first of what might be called the muck raking life insurance writers. This started with his famous article in the "American Mercury," which aroused the hostility of life insurance men all over the country. Just recently the magazine "Time" in its cynical and satirical reference to Life Insurance Week publicized Gilbert & Sullivan and acknowledged in commenting on the protesting letter of President Riehle of the National Life Underwriters Association regarding the statements in the article that they were made on the basis of the Gilbert & Sullivan book.

Mr. Sullivan appeared in print wherever he could get a foothold. He was prolific in his literary output, most of which, however, got him nothing or landed him nowhere. Seemingly he became almost a fanatic in his crusading movements. He exhausted a tremendous amount of energy and took much time and labor which brought him no financial rewards. He was pugnacious and came from a fighting clan.

In the Missouri State Life controversy and more recently in the General American Life deal whereby it was organized to succeed the Missouri State, Mr. Sullivan again put on his armor and went forth to engage in battle. He wrote many articles for the St. Louis daily papers, attacking what had been done, assailing Commissioner O'Malley of Missouri and stirring up a hornets' nest in every direction.

Indeed, Commissioner O'Malley became one of Mr. Sullivan's chief assail-

ants and at the recent meeting of the insurance commissioners in Philadelphia took occasion to belabor Mr. Sullivan, stating that he was engaged in a nefarious work. He called attention to the fact that as prosecutor for the Sabbath Congressional investigating committee he attempted to besmirch the Great American Life and writing defamatory articles in the St. Louis papers at the same time caused that company great loss. Mr. Sullivan was the "prosecuting attorney" for the Sabbath committee and in its hearings in Chicago he attempted to bring out certain features concerning the Great American Life and other companies. He took up the cudgels against Arthur Coburn of the Southwestern Life. He had on the stand President Head of the Great American Life, Mr. Coburn and Commissioner O'Malley. Very frequently Congressman Sabbath had to jerk back Mr. Sullivan into line because he was wandering into distant paths and drawing out the hearing to interminable length.

He endeavored to have the editors of THE NATIONAL UNDERWRITER cited for contempt because of its story on the hearing. Chairman Sabbath ruled him out so he found solace in threatening to bring a personal libel suit.

### Wrote Article About Commissioner O'Malley

At the St. Paul meeting of the insurance commissioners in 1936 Mr. Sullivan was present together with Publisher James E. Dunne, head of the "Insurance Index" and other Dunne satellites. Mr. Sullivan was assisting Mr. Dunne in his life insurance reports and wrote for the magazine and on his return to Louisville he penned a sarcastic article in the "Insurance Index" about Commissioner O'Malley. This brought out a broadside from the Missouri commissioner and he stated that if Mr. Sullivan or Mr. Dunne appeared at later meetings of the commissioners and were not ejected he would refuse to stay in the room.

Mr. Sullivan appeared with an attorney in the receivership proceedings of the Illinois Life, attempting to dissuade the court from approving any managerial contract, but adopt a scheme that Mr. Sullivan advanced. He spent many weeks in this crusade and delayed unfortunately the proceedings thereby causing much waste. He later appeared in the National Life, U. S. A. receivership proceedings in a similar way. These were other evidences of Mr. Sullivan's unexplainable efforts to edge in on enterprises where it would seem his chance of gaining anything was remote.

He was one of the leading men before the Illinois legislative committee that was considering the insurance code. Egotistical, possessed of sufficient life insurance knowledge to make a plausible story, Mr. Sullivan so impressed the legislators that some of them asked him if he would go to Springfield and address the body on his life insurance recommendations.

### Got James E. Dunne in Very Hot Water

He compiled the 1936 James E. Dunne life insurance report book that got the publisher in very hot water with the result that Mr. Sullivan and Mr. Dunne parted company. Companies were in a fighting mood over some of the text that he introduced in the book evidently desiring to expose some vulnerable spots in the armor of the larger companies.

One of his pet peeves was Alfred M. Best. Seemingly he took advantage of every occasion to attack him. He formed a partnership with Rev. Elmer Williams, the professional Chicago reformer, who gets out from time to time a lurid paper, "Lightnin'," in which various crimes, misdemeanors and tendencies are exposed. Rev. Williams in one of his issues announced that Mr. Sullivan was to have a series of articles on Mr. Best and his work. In fact, Mr. Sullivan started the "Best's articles" and mailed them to Mr. Best under registered cover, his attorney advising him that if Mr. Best brought suit for libel or damages the fact that he sent them

to Mr. Best ahead of time would mitigate any verdict.

One of Mr. Sullivan's more recent spectacular appearances was at Springfield, Ill., when the federal court was prosecuting A. C. Littlejohn who was head of the National Mutual Aid and who had been connected with various insurance enterprises that emitted a loud stench, in which he appeared as a technical witness for Mr. Littlejohn attempting to prove that his plans were scientifically correct. Mr. Littlejohn was not operating in Illinois but was using the mails in other states. The federal court found Littlejohn guilty and he is now in the penitentiary. During the last day or so of the trial, C. D. Dunne, editor of the "Insurance Index" and some of his followers appeared at Springfield as witnesses for the government. Their testimony was to discredit Mr. Sullivan on the strength of the fact that he was supposed in getting out the Dunne book to have laid plans for trapping large companies. In the corridor of the court building Mr. Sullivan took occasion to apply some scorching attribute to young Dunne and his entourage. Later the United States district attorney in court announced that Mr. Sullivan had attempted to intimidate government witnesses. The upshot was that Mr. Sullivan was indicted on this charge.

In later years probably Mr. Sullivan

realized that what he was doing was not gainful. His Philadelphia connection was considered by him as unfortunate, and he was attempting to restore his shattered fortunes by returning to Chicago.

Mr. Sullivan had in him the blood of the crusaders. He was a bigot, was sincere in his beliefs. Because of his fanaticism he was continuously in an altercation.

The last time I saw "Jim" Sullivan was a month ago in the Chicago office of the Illinois insurance department. I thought he looked worn and fatigued. He told me about his Philadelphia fiasco. I wondered if his fighting spirit were not about gone. But here he was poring over the official statement and records of the Pacific Mutual Life, preparing, I presume, to inject himself into a controversy and oppose a plan of rehabilitation approved by the court, the National Association of Insurance Commissioners and experts. Yet he saw some reason to try to upset the entire program. It was nothing to him but he was giving his time to research to get material to oppose a line of procedure that appeared just and logical because he saw what appeared to him some unjust features. That was typical of the man. He was ready to use his sword even if his strength had ebbed away.

## Let's Look at the Records!

Insurance in Force, Jan. 1, 1936	\$119,038,350
Insurance Issued during 1936	21,678,960
Net Gain in Insurance for 1936	7,370,862
Insurance in Force, Jan. 1, 1937	126,409,212

Do you know of any other Life Insurance Company our size, not having "Allied Lines", that equalled the above record during 1936?

**THERE MUST BE A REASON!  
WHY NOT ASK ABOUT IT?**

Direct your letter to  
A. B. OLSON, Agency Vice President



**GUARANTEE MUTUAL  
LIFE COMPANY**

OMAHA, NEB.

Organized 1901

LICENSED IN TWENTY-ONE STATES AND THE DISTRICT OF COLUMBIA

## EDITORIAL COMMENT

### Modification of Settlement Options

SOME months ago THE NATIONAL UNDERWRITER predicted that the companies would be forced to revise their settlement options and put sufficient restrictions on the execution of contract endorsements which have called for much time on part of the actuarial, legal and investment departments. In days gone by when interest rates were comfortable, the companies did not study as they are now doing the various drains on their resources. Today they are compelled to count the cost in every direction.

It has been discovered, for example, in many settlement options that the policyholder and even the beneficiary have the right to make changes down the line and to hold a company liable for a course that causes it a loss so far as its investment earnings are concerned. There are primary guarantees of interest rate that are obligatory. There are no changes made in the income derived from the options.

The modification simply gives a com-

pany the chance to protect itself against imposition. The main injustice seems to have come from primary and secondary beneficiaries. The secondary beneficiary, according to some options, is able to continue the settlement rate of earnings even though the company is a loser. Then it is found that very frequently the legal department is called upon to execute complicated settlement agreements. The investment department is put to it to keep the proceeds invested in a way that the loss will be as small as possible and the actuarial department is called upon for various services in calculating the technical features of the settlement.

The present tendency toward revising these settlements is due entirely to economic and business changes over which the companies had no control. They find themselves now bound by contracts that were put into force when interest rates were much higher and conditions along business lines were more profitable.

### Interesting Analysis Made

THAT was an interesting analysis that the AMERICAN SERVICE BUREAU of Chicago made of the buyers of life insurance for the first six months. This survey made by this organization is always studied with keen interest because it reveals certain tendencies in life insurance purchases that can be utilized to advantage. One of the surprising features brought out in this particular analysis was the fact that only 8 percent of the 10,000 applicants that the AMERICAN SERVICE BUREAU studied indicated that they had other life insurance in the same company and only 25 percent had life insurance in other companies. In these applications it was brought out that 67 percent had no other life insurance.

President LEE N. PARKER draws the conclusion that agents could profitably concentrate much more on their old policyholders and get them to increase their insurance rather than to allow other agents to edge in. Perhaps life insurance salesmen have taken too much for granted because so many people have pretended to be in a bad way. In days gone by it was fashionable to boast about one's earnings in the stock market or his busi-

ness. Then the crash came and it was just as fashionable for everyone to be "broke." That condition of business distress has been employed to good advantage to ward off purchases of various kinds. It has been very difficult to find just the exact financial status or buying power of a prospect or policyholder. Many people have been able to stage recovery in magnificent form. Even though on the surface they seem to be in far better shape they have still continued their down in the mouth conversation. Therefore it probably has been easier for them to succumb to other agents who have not approached them before rather than acknowledge to their old agents that they are able to make a further purchase of insurance.

We would not say that the AMERICAN SERVICE BUREAU's analysis is an indictment of the present agency force. Undoubtedly the agents have endeavored to do all they could. They were called upon during the depression period to service their old policyholders and they became acquainted with their financial condition. They probably have not been sufficiently alert as to changes in their client's buying power.

### Insurance and Social Security Act

A RECENT article in the "Business Week" discusses possible changes in the social security act, following the U. S. SUPREME COURT decisions upholding the

legislation. The paper speaks of the decisions as breaking down the last bulwark against social reform in industry by government. Government bonds

sputured as it became clear that the old-age reserve account would continue to be a heavy buyer. Insurance companies, according to this authority, are driving forward in their campaign to sell old-age annuities to supplement the meager monthly returns which will inure to the beneficiaries under the plan when they begin drawing their federal income.

Large corporations began revising their private pension plans to fit them in with the federal scheme, as a means of (1) cutting down the cost of their pension systems; (2) seeing that workers received at least as much as those systems provided for before the federal law was passed. Business and social reformers began anew to measure the social security program with the likely result of a series of amendments before 1940, when the old age tax steps up from 2 percent to 3 percent. The safest guess along this line is that the \$46,900,000,000 projected old age reserve fund will be cut substantially and that a combination pay-as-you-go and reserve fund plan will be substituted.

The employer increases his costs and

therefore the cost of living rises, where the worker's payment is a direct cut in his income. The injustice to the young worker is striking. Workers who enter the system in 1940 when the 6 percent tax rate goes into effect, must shoulder the load for the older men, who, at that time will have begun drawing benefits in 1940. An instance is given of a worker of 25 entering the system in 1940, and earning \$200 monthly, who could with his and his employer's contribution purchase a private annuity, to yield at 65, \$117.25 monthly; his government allotment will be only \$76.25 monthly.

In Great Britain and Germany large payments are made available earlier by eliminating the huge reserve plan and adopting a pay-as-you-go system and it is considered likely that some compromise along this line will be followed in this country.

There is every reason why life insurance men should follow the developments in the government old age pension system closely since life insurance must necessarily be written more and more in connection with the plan.

## PERSONAL SIDE OF BUSINESS

Kenneth Hoskins, 49, general agent Franklin Life at Lufkin, Tex., and mayor of that city, died suddenly. He was prominent in business and civic affairs.

T. J. McNamara, editor of the life edition of the "Underwriters Report" of San Francisco, has resigned. He went to San Francisco and joined that publication in August, 1933, after being assistant advertising manager of the Standard Accident at its home office under C. E. Rickard.

H. G. Mosler, chairman pre-convention committee of the Million Dollar Round Table and a leading producer for Massachusetts Mutual at Los Angeles, is making a 30-day tour through the Pacific northwest.

Miss Marie L. Gunst, daughter of the late Ralph Gunst, General American Life agent in Tucson, Ariz., was married to Thomas Lawther of that city. Since her father's death Miss Gunst and her brother, Jacob, have operated the agency.

A. Gordon Ramsay, former assistant general manager of the Canada Life, who was compelled to resign on account of ill health, is on a trip abroad and has just completed a walking journey with his wife and son in Germany. The latter part of June he was in Vienna and in due season will reach England.

The four Aetna Life people who were in the first section of the train that was run into at Evanston, Ill., on the C. & N. W. road by the second section going to Ashland, Wis., apparently have recovered from their severe jolt although General Agent H. W. Florer of Grand Rapids seems to have had a recurrence of asthmatic trouble that afflicted him

some years ago, following this accident. Vice-president S. T. Whatley and General Agents R. S. Edwards of Chicago, H. W. Florer of Grand Rapids and P. W. Simpson were on the diner of the first section just ahead of the observation car, which was in the rear. They were bound for the Flambeau region in Wisconsin for a four days' fishing trip. The second section ran into the first at the Evanston station just as the first section pulled out. The four men had just been served soup which was spilled all over them. They were pretty badly jolted but continued on the trip, having to wait at the station for five hours before they could get a sleeper.

Vice-president Whatley has been on a central western trip and will return to the home office the latter part of this week.

Dr. R. P. Fournier, of San Francisco, personal producer with the Karl L. Brackett agency of the John Hancock Mutual Life, died suddenly. Dr. Fournier had not followed his profession for a number of years but had been prominent in life insurance circles, serving as the first general agent of the Minnesota Mutual Life in San Francisco in 1923.

Dr. Frank Piper, since 1932 medical director at the home office of Boston Mutual Life and in charge of field examiners, died at his home in Cambridge, Mass., following a three years' illness. He had been on leave of absence since April.

He was graduated from Harvard University school of medicine in 1893. He entered the life insurance field and became medical examiner for the John Hancock.

He served as an army medical officer during the world war, making an outstanding record, and was decorated by the United States. He resumed his profession as medical examiner for various



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companies, principally for John Hancock, and in March, 1930, was elected medical director of the Boston Mutual Life.

Producers under **M. F. Kane**, manager of the Beacon ordinary agency of the Prudential in Boston, marked his third anniversary by presenting him \$301,198 of new business produced in one week.

**B. F. Nowack**, agent of the Connecticut Mutual Life in Des Moines, has contributed an insurance plan to appear as a chapter of a book "Controlling Your Personal Finances" by Prof. David Owens of Drake University. The book will be published this fall.

**T. F. O'Keefe**, general agent Connecticut General in Detroit and past president Detroit Optimist Club, was elected vice-president of Optimist International at the recent convention in Cincinnati.

At the July meeting of the Associated Life General Agents & Managers of Detroit **H. C. White**, general agent Connecticut Mutual, was surprised to find a birthday cake and roses as a remembrance from his agency force on his 39th birthday, which fell on the day of the meeting.

**C. J. Frisbie**, Seattle general agent New England Mutual Life, took first place in the Protection Island class B races with his yacht "Tola."

The many friends of **J. S. Williams**, superintendent of agents of the Oregon Mutual Life, will regret to learn of the death of his wife, who became suddenly ill of pleurisy in May. Later pneumonia developed and she was taken to St. Vincent's Hospital in Portland.

**T. P. Reynolds**, 64, Virginia manager Prudential, Richmond, died at a hospital there following a protracted illness. He suffered a stroke last February. His death occurred soon after he had undergone an operation for removal of his gall bladder. He joined the Prudential in 1902, although it was not until 1907 that he decided to devote himself solely to life insurance work. In that year he became a member of the firm of Hodges & Mitchell, North Carolina managers for the Prudential with headquarters at Asheville, the name becoming Hodges, Mitchell & Reynolds. In 1915 he was transferred to Richmond succeeding W. B. Allen as Virginia manager. A few months ago, he celebrated the 35th anniversary of his connection with the company. At the time of his death, he had built up the volume of insurance in force in Vir-

ginia to approximately \$36,000,000. He was a past president of the Richmond Association of Life Underwriters. Four years ago, his only son, William F., assistant Prudential manager at Richmond, was killed in a motor accident. Two months previously, his wife died. Pending appointment of his successor, the agency will be carried forward by his three assistants, Nathan Bushnell, W. R. Crump and E. B. Meade.

**W. L. Royall** of Chicago, supervisor of the central branch of the New York Life in that city, who suffered a heart attack in May, has been given a leave of absence and is spending the summer in Virginia. In addition to having charge of the central branch he also has supervision over the Dearborn branch of which L. H. Tracy is agency director.

**W. C. Johnson**, general agent Farmers & Bankers Life, Fayetteville, Ark., was critically injured in a mill explosion while visiting in the office of the W. B. Baker Lumber Company at Heber Springs, Ark. The owner of the plant had just handed Mr. Johnson a check for insurance premiums when the explosion occurred. Mr. Johnson suffered broken bones in both arms, injuries to his face and probable internal injuries.

Vice-president **Howard Oden** of the North American Reassurance has returned from a two months European trip, during which he visited Zurich, London and Paris.

**Daniel Sullivan**, unit manager Prudential in Buffalo and president of the Buffalo Life Underwriters Association, is back at his desk after an appendicitis operation.

**Jean Castor**, assistant to Frank Klingbeil, manager Prudential ordinary office, Detroit, is in a Buffalo hospital recovering from an appendicitis operation performed last Sunday. Mr. Castor was on vacation.

**L. A. Lincoln**, president Metropolitan, arrived in Ottawa, Can., on the last lap of a tour of which came to a conclusion in Saint John, N. B. Mr. Lincoln and his party traveled more than 25,000 miles. H. D. Wright, general manager for Canada, was host in Ottawa. Accompanying Mr. Lincoln were Vice-presidents F. H. Ecker and E. H. Wilkes, and Second Vice-president C. J. North.

Mr. Wright and Freeman Smith, superintendent of agencies, accompanied Mr. Lincoln on the trip from Ottawa to Montreal and Quebec.

tributed among holders of proved claims, a 50 percent return. Mr. Mockett says claims totaling \$93,978 were filed, but \$76,357 were disallowed because they represented capital never put into the enterprise.

#### Mutual Benefit's Tax Appeal

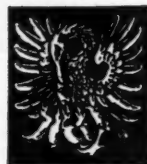
The Mutual Benefit Life has filed an appeal with the Essex county tax board for a reduction in its assessment by the

city of Newark from \$22,267,100 to \$20,655,624. It declares that the levy included an item of \$1,711,475 reserve for tax payments which the company had included among deductible liabilities.

#### Federal Union Kentucky Fees

FRANKFORT, KY., July 15.—The circuit court here has allowed W. C. Marshall a fee of \$2,000 as state receiver of the Federal Union Life of Cincinnati

★ MODERN LIFE INSURANCE SINCE 1845 ★



## STATISTIC

A figure sleuth has discovered that the average length of service of Mutual Benefit men (excluding new men) who attended the 1936 Agents' Convention was something over thirteen years. An analysis of the "composite man" of this group shows that he began his service shortly after the post war depression, made "good money" during the boom, had to scratch like the dickens for his commissions during the Great Depression, and, still working hard, is getting better results for his efforts in 1936. His thirteen-year service record is at once a tribute to his ability and industry and to the Company with which he is associated.

The  
**MUTUAL BENEFIT**

LIFE INSURANCE COMPANY • NEWARK • N. J. •

## NEWS OF THE COMPANIES

### Columbian Mutual Wins in Receivership Decision

The chancery court of Memphis has held that policyholders of Columbian Mutual Life who brought an action for a receiver, were not entitled to do so. The court held that only the attorneys-general of Mississippi and Tennessee have that power.

The court upheld the legality of the assessment that was levied in March against policies of Columbian Mutual that were issued by the predecessor fraternal societies prior to Aug. 9, 1926.

Paid for business for the first six months was \$1,530,000, compared with \$1,355,000 the first six months of 1936. This is considered an excellent record in spite of the unfavorable publicity resulting from the suit.

### Can't Consider Action

A suit brought by P. A. Hemphill asking a receiver for the Pan-National Life of Oklahoma was dismissed in Oklahoma county district court. The court indicated that it had no jurisdiction to approve the appointment of a

receiver for an insurance company, nor the right of review on the question of a reinsurance contract that had been approved by the insurance commissioner. The decision upholds the new statute giving the insurance commissioner the exclusive right to institute receivership proceedings. Hemphill contested the reinsurance of a fraternal of the same name.

### Takes on Treasurership

Willard N. Boyden, vice-president of the Continental Casualty and Continental Assurance, has been elected treasurer as well for the time being to succeed F. F. Robinson, who goes into another line of business. It is expected later on that someone will be elected to fill the office of treasurer separately.

### Report Made on Liquidation

LINCOLN, NEB., July 15.—Fred R. Mockett, named by the Nebraska department in March, 1934, as liquidating agent for the National Old Line Life, of which Reese Wilkinson was head, has filed his final report. He lists collections of \$26,500 and disbursements of \$17,280, leaving \$9,240 to be dis-

## OPPORTUNITY IS MONEY

We give our representatives the opportunity to make money through an unusual line of saleable policies that meet the public's demand. Our \$10.00 annual premium policy is one illustration.

**ROCKFORD**  
**LIFE INSURANCE COMPANY**

ROCKFORD LIFE BUILDING ROCKFORD, ILLINOIS

and Milliken & Handmaker, Louisville law firm, a like sum as attorneys for the receiver.

The Ohio courts have approved a plan for rehabilitation of the company.

#### U. S. Life Canadian Deal

Stockholders of Confederation Life are meeting in Toronto this week to pass on a deal whereby their company would reinsure the Canadian business of United States Life amounting to about \$454,000. U. S. Life wrote no business in Canada last year.

#### Lincoln National in Bay State

Lincoln National Life has been licensed in Massachusetts and plans for development of the state are now being made.

#### White Is Educational Director

OKLAHOMA CITY, July 15.—Malcolm C. White, associated with the C. C. Day agency of the Pacific Mutual Life here since 1930, has been named educational director at the home office. Mr. White formerly taught school in South Dakota.

#### Prudential Promotions

H. A. Mitscher, home office supervisor of the Prudential, has been advanced to assistant comptroller. D. C. Austin, assistant manager in the actuarial department (general) has been promoted to manager of the ordinary policy department.

#### E. M. Kirby's Change

E. M. Kirby, manager sales promotion department National Life & Accident, has resigned to join the Southern Agriculturalist as sales promotion manager.

#### Form New Carrier

With Montgomery as headquarters, the Union Life of Alabama has been incorporated to write mutual aid, benefit and industrial life insurance. Capital is \$5,000. L. J. Revel, Montgomery, is president; H. R. Shows, Luverne, is vice-president, and J. E. Revel, Montgomery, secretary-treasurer.

#### Refused New Trial

Federal Judge Reeves of Kansas City has overruled a motion by Superintendent O'Malley for a new trial in the U. S. Reserve Life case.

Bennett L. Brink, Orange City, Ia., has joined the advertising department of the Bankers Life of Des Moines.

**Outstanding**  
by any  
**STANDARD**  
of  
**COMPARISON**

**70TH**  
Anniversary Year  
1867 - 1937

**EQUITABLE LIFE**  
INSURANCE COMPANY  
OF IOWA

### E. S. Hassard Appointed to Field Post by Home Life



E. S. HASSARD

The Home Life has appointed E. S. Hassard agency field assistant to operate under direction of the home office agency department. He began with the Home Life less than a year ago as a producer in the D. D. Johns agency, which was then the sales division of the home office.

As agency field assistant, Mr. Hassard will assist general agents in recruiting, training and in direction of field activities along the planned estates idea. He entered the business in 1932 as a producer in the D. B. Adler agency of the Penn Mutual in New York City, later taking over the brokerage department and assisting in training new men. He is prominent in eastern amateur hockey circles.

## COAST

#### Will Train New Agents

E. M. Moore, Los Angeles manager Minnesota Mutual Life, will have E. L. Bragdon, home office field manager, with him for three weeks training new agents recently signed.

This agency is one of the leading offices of the company. Mr. Moore reports his success is due to the planned sales setup by the company and used uniformly by all representatives.

One of the new men is Paul T. Morgan, who recently resigned as advertising manager of the Topeka "State Journal" and moved to Los Angeles to enter life insurance in Mr. Moore's office.

#### Hold "Get Acquainted Day"

July 16, was designated "get acquainted day" by Karl G. Gumm, assistant superintendent of agencies of the National Life of Vermont, when men prominent in the life insurance and civic life of San Francisco were invited to meet S. C. Martin, recently appointed general agent in northern California. Up to the appointment of Mr. Martin, Mr. Gumm has been in charge of the San Francisco office following the resignation of D. A. Lamar as general agent. Mr. Martin has been with the Lincoln National Life in Los Angeles.

#### Suspended for One Day

SAN FRANCISCO, July 15.—Because of criticism of the policies of the Benjamin Franklin Life, a chapter 9 assessment company, G. C. Carson, agent of the Prudential, was penalized by having his license suspended for one day, following several hearings by the California department. The department said a legal reserve life agent should know something about the law authorizing and regulating the so-called assessment companies before he attacks them or their policies.

Assured testified they were not advised in advance by the Benjamin

## LIFE SALES MEETINGS

### Schnell's Agency Has Muster

Penn Mutual Office for Illinois With Headquarters at Peoria Celebrates Its New Location

The Penn Mutual Life general agency at Peoria, Ill., which has been represented in the city for 50 years, celebrated the opening of its new agency headquarters in the Commercial Merchants Bank building last Friday. A number of friends and policyholders called, F. A. Schnell, the general agent, being the official host. This agency has jurisdiction over all Illinois outside of Cook County. It has about \$25,000,000 in force. Its main agencies are in Peoria, Galesburg, Kewanee, Freeport, Rockford, Bloomington, Lincoln, Decatur, Champaign, Springfield, Petersburg and Benton.

#### Agency's Six Months' Record

For the first six months the paid business ranked among the first 10 among the Penn Mutual agencies. Some 35 agents coming from all sections of the state were present. Vice-president A. E. Patterson, head of the agency department, was on from the head office. He was formerly general agent in Chicago and until he became vice-president had charge of the entire state. Therefore he felt very much at home. Actuary George R. White accompanied Mr. Patterson. Among other out of town guests were A. E. McKeough of Chicago, agency supervisor of W. A. Alexander & Co., which is general agent of the Penn Mutual Life, and who is president of the Chicago Life Underwriters Association; J. M. Royer, Chicago general agent; John H. Sherman of Chicago, manager of the life department of W. A. Alexander & Co.

#### Guests at a Luncheon

Following the inspection of the office and informal gathering in the morning all were guests of Mr. Schnell at a luncheon followed by an agency meeting. On the program were Assistant General Agents W. S. Porter of Champaign and E. P. Connolly of Springfield, who summarized the progress made in their districts. Actuary White reviewed the financial position of the Penn Mutual on its 90th anniversary and gave an analysis of its investment setup. Mr. Patterson gave the principal talk, commenting particularly on the fact that the paid business for the first six months was 17.7 percent ahead of the like period last year. This record, Mr. Patterson declared, was accomplished because 85 percent of the agents produced more business during the first six months than during the corresponding period last year.

On Saturday, G. C. Caldwell, W. L. Esses, Jr., C. W. Johnson and E. G. Kuecks and F. R. Luthy, Peoria agents, had as their guests at the new offices many members of the Peoria Life Underwriters Association.

#### Saltzstein Agency's Meeting

Forty agents of the Wisconsin and upper Michigan general agency of the New England Mutual Life attended the semi-annual meeting in Milwaukee. A. L. Saltzstein, general agent, announced that business of the agency in June was the best in four years.

Franklin agent that they were subject to assessment but were under the impression that their policies were non-assessable. In endeavoring to explain this situation to assured at the request of a mutual friend, it appeared, according to the department, that Mr. Carson overstepped the actual facts but that he did render them a service in advising them that they had assessable policies.

### Edward A. Woods Co. Meet

Annual Sales Conference of the Big Pittsburgh Agency Was Held at Ocean City

The agency force of the Edward A. Woods Company of Pittsburgh, general agent of the Equitable Life of New York, held its annual educational conference at Ocean City, N. J. W. J. Cummins, assistant manager, acted as chairman for the first session, President W. M. Duff gave the welcome and pointed out present day opportunities and responsibilities for agents. Short talks were made by F. S. Kailer of Pittsburgh on "Finding the Buyer," explaining methods he has used which have made him one of the leading case writers in the country; F. H. Conrad of Johnstown on "Continuity of Sales," he having produced business for 538 consecutive weeks, and L. A. Spencer of Youngstown, O., on profitable selling, enlarging on the subject from the standpoint of building prestige for himself, selling the right contract for the right amount to fit the needs of clients and their ability to pay.

#### Feldman Acted as Chairman

R. L. Feldman, assistant manager, was chairman of the second day's session. Milton Herzberg, agency manager for the Equitable in New York City, spoke on "The Younger Generation." He discussed the opportunities of the agent in building his sales around children of policyholders, friends and acquaintances. He emphasized the fact that in the juvenile market, agents can build profitably and with assurance. M. B. Cahill, assistant manager in charge of salary savings, discussed that phase of the business. John A. Patton, manager of the group department at the head office, spoke on "Capitalizing Our Group Prestige." P. S. Smith, assistant comptroller of the Woods agency, discussed conservation of estates and gave suggestions how to use life insurance and annuities to be certain that the largest possible amount of an estate will pass to heirs intact and with as little depreciation as possible. Leon Gilbert Simon of New York City, well known business insurance expert, talked on "Business Security." Dr. W. M. Lewis, president Lafayette College, closed the session, speaking on "Education as an Endowment Policy."

#### F. J. Stevenson in Charge

F. J. Stevenson, assistant to President Duff, was chairman of the closing session. L. R. Shope, supervisor of sales production at the head office, emphasized how important it is for the agent who expects to be successful to train the powers of observation, he talking on "It is the Eye that Makes the Horizon."

H. M. Alexander, director of the Equitable, gave an address. Frank L. Jones, vice-president, closed the meeting and gave a talk on "The Uniqueness of Life Insurance." He emphasized that while many people are classing life insurance in the same category as big business when they criticize big business, in reality it is a singular institution. Although it is big in size it is of such a unique nature that it stands alone from any other type of endeavor. Whereas all other businesses are built on the profit and loss basis to make money, life insurance does not have this factor in its make-up in any way.

#### Two Hundred Agents Present

Vice-president W. J. Powell of the Woods agency gave a talk, stressing that the agent should be in action at all times in his community.

About 200 qualified delegates were present, many accompanied by members of their families. The record of the agency for the first six months is interesting. In June the ordinary business written was \$4,750,000, gain 16½ percent over June, 1936. For the first six



months the ordinary business written was \$27,000,000, a gain of 24 percent. For June the paid business showed a gain of 1½ percent, the volume being in excess of \$2,750,000. For the year the paid business record showed an increase of 17.9 percent.

## Old Line Life Discussions

Agents Part in the Underwriting Features Closing Session of Annual Meeting at Chicago

A question-and-answer session which featured underwriting and investment policies marked the closing meeting of the annual convention of the Old Line Life at Chicago. Settlement options were outlined. The Old Line Life is following the lead of several other companies in tightening options, banning remarriage provisions, forbidding the primary beneficiary to name a secondary beneficiary and generally attempting to discourage perpetuation.

L. N. Parker, American Service Bureau, urged the agents to remember that they profit from good underwriting as much as any other company man. He said there are only three sources of profit for a company—good investments, good expense ratio and good mortality experience. The last two items can be affected considerably by the agent's activities. A good rule for the agent to follow, Mr. Parker said, is to ask himself, when he has a doubtful case, whether or not the company could handle 1,000 other cases just like his successfully.

### Agents' Underwriting Work

While the home office underwriter and the medical examiner can determine the fundamental facts about a client's life expectancy and his general desirability as a risk, only the agent can learn the exact nature of the client's occupation, what he does in his spare time, etc. For instance, if his client is engaged in an occupation which on the surface appears to be a safe one, he may do certain jobs in it which impair him as a desirable risk. The home office might not discover this until too late. The agent can also find out about the man's spare time activities, such as whether he indulges in fast automobile driving, frequent airplane flights or other sports which are dangerous. Mr. Parker said the agent ought to profit in that he finds out more about his client's personal, financial and medical status, which in turn lets him know when the man will be in line for more insurance.

It takes time to work up a good list like this, but a small list of excellent clients and prospects in the long run is much superior to a large list which may turn into impaired risks or business with poor persistency. The agent must always remember that many people become sold on life insurance too late for them to be good risks.

Vice-president J. H. Daggett answered questions about the company's investment policy. Every agent should be familiar with his company's activities in this field, since the rate earned on investments is reflected in the rate charged for insurance, he said. Actuary H. B. Sturtevant answered questions on the work of his department.

Secretary W. J. Moore discussed the optional mode of settlement question and urged agents to discourage settlements that are too complicated and hurt the assured's best interests. Every word in these clauses must be watched carefully to see that it reflects the assured's wishes, since the company must follow exactly what is in the contract. For example, an educational policy providing that proceeds be paid for the child's education should take into consideration the possibility that the youth might wish to work a year or two between high school and college. Common disasters frequently defeat the assured's wish. There should be provision always that if the wife survive for even a few minutes, that proceeds be paid to a secondary beneficiary whom the husband designates. Otherwise the policy's proceeds go to

the wife's estate and hence to her nearest heirs. This may defeat assured's wishes entirely.

The 1938 convention will be held at Lawsonia, Green Lake, Wis. President J. E. Reilly closed the last session with a brief talk reviewing this year's convention.

## Sales Experts Tell Methods

Lincoln National Life Regional Conference Held at Colorado Springs—Dern Views Trends

COLORADO SPRINGS, COLO., July 15.—Pertinent sales tips from expert field men featured the Lincoln National Life's three-day western regional convention here. Over 200 attended.

A. L. Dern, vice-president and director of agencies, reviewed the company's activities during the past year and commented on life insurance trends. Steadily increased taxes in addition to the low interest yield may necessitate an increase in rates, he said. Mr. Dern reviewed the company's recent convention examination and the favorable results.

The importance of recruiting new men was stressed by Mr. Dern. "We want men only of the highest character, men whom you will be proud to claim as your associates. We hope that in the future all new general agency appointments and all replacement can be made only from within our own ranks."

### Banquet Is Held

Mr. Dern presided at the annual banquet and presented leading field men with sales awards.

Other home office officials attending were: Arthur F. Hall, president; A. J. McAndless, executive vice-president; C. F. Cross, second vice-president and manager of agencies; Dr. W. E. Thornton, second vice-president and medical director; S. C. Kattell, secretary and actuary; J. J. Klingenberg, agency secretary; W. T. Plogsterth, director of field service; F. W. Gale, superintendent of agencies; A. H. Hammond, superintendent of agencies; W. C. Brudi, agency auditor; D. B. Semans, chief underwriter; G. M. Bryce, manager department of issue; F. L. Fisher, advertising manager.

## Mutual Trust's Agencies Hold Regional Gatherings

Qualified members of the California agency of the Mutual Trust Life under State Manager Gilbert Knudtson of Los Angeles held a regional meeting at Santa Monica. Vice-president A. B. Slattengren from the home office spoke, as did Manager Knudtson.

Another meeting is being held over the week-end at Granite Falls, Wash., attended by qualified agents of the Washington-Oregon territory. Vice-president Slattengren and Oregon General Agent B. W. Noble of Portland, formerly agency director at the home office, making addresses. Other regional meetings will be held in August.

### Wisconsin National Meeting

The Michigan agency force of the Wisconsin National Life held a meeting in Grand Rapids to mark the start of a July drive. There were two days intensive work previous to the meeting resulting in \$73,712 new business and premiums exceeding \$1,550. The meeting was in charge of M. S. Kirkpatrick of Grand Rapids, Michigan superintendent of agents. Agent Lester Hendrick of central Michigan took the prize for the most business turned in, being \$23,712. Agent E. L. Pollard was second with \$15,000 July bids fair to be a splendid month for the company in Michigan.

### Bankers National Meetings

The Bankers National Life of New Jersey's two production clubs have arranged for their annual gathering. The Masters Producers Club and the Presi-

dents Club will hold a joint convention at Hot Springs, Va., July 27-29. The Presidents' Club people will then go to Bermuda Aug. 2-4. Both conventions will be attended by President R. R. Lounsbury, Vice-president and Superintendents of Agents W. J. Sieger and Agency Secretary Alexander White.

## Bankers Mutual Meeting

The Bankers Mutual Life of Freeport, Ill., will have a home office convention of agents celebrating its 30th anniversary Sept. 14. J. C. Peasley, president, is in charge of the arrangements.

The West Coast Life of San Francisco will hold its triennial convention at Catalina Island, Sept. 12-14.

## Union Central Wins Award

The Union Central Life has been awarded first prize for photographic excellence in the exhibition of advertising typography held by the "Printing Art Quarterly" in Chicago. The March, 1937, advertisement won the award. The picture tells a story of life insurance in the form of protection with a simple, sharply graphic illustration of two hands, a father's, outstretched in which an infant's hand is held. The caption was "That Tiny Groping Hand."

# CHICAGO

### COMMITTEE TO CONTINUE

The insurance committee of the Illinois Bar Association, which had much to do in drafting the code that was passed by the legislature, will keep intact. It is thought that this committee can be useful in annotating the code, thereby giving citations that will have an immediate bearing on the various sections. Furthermore it is felt that this committee should give a careful study to the code as procedure is experienced under it. This committee could carefully weigh the experience gained under the code and ascertain whether amendments and modifications are needed.

The drafting committee of the insurance committee which did the real work on the code consisted of Henry A. Moser of Sonnenschein, Berkson, Lautmann, Levinson & Morse, Chicago; H. C. Havinhurst, instructor in insurance law Northwestern University Law School; Whitney Campbell of Taylor, Miller, Bush & Boyden of Chicago; Hendrik Folonie of Hicks & Folonie, Chicago; D. J. Kadyk of Lord, Lloyd & Bissell, Chicago, former assistant attorney general of Illinois; E. M. Lees-

We do not compete with our own General Agents

**BUT—**

We have some open territory in western Pennsylvania, Northern New Jersey, Virginia, Indiana, and other points.

For men of General Agency calibre we have a worth while General Agent's Contract.



## Philadelphia Life Insurance Company

111 North Broad Street  
Philadelphia, Pa.

Aggressively Developing State of Illinois  
Offering Unusual Agency Opportunities

Liberal First Year Commission and Non-forfeitable  
Renewal Commissions

Assistance in the Field Home Office Co-operation

## GLOBE LIFE INSURANCE CO. OF ILLINOIS

WM. J. ALEXANDER, President  
An Old Line Legal Reserve Company—Established 1895  
40 Years of Continuous Faithful Service to Policyholders

Writing Complete Line of Modern Policies with All Standard Provisions

Ages (0-60)

Double Indemnity — Disability — Non-Medical  
Modern Juvenile Contracts Full Benefits Age 5

WRITE US TODAY FOR PARTICULARS

431 South Dearborn Street

Chicago, Illinois

man, Chicago Title & Trust Co.; R. M. Matthias, Ekern & Meyers, Chicago; E. V. Mitchell, general attorney Continental Casualty and Continental Assurance, and Frank Young, attorney Illinois insurance department.

#### \* \* \*

#### GAIN FROM SURRENDERS

The "Estate & Tax News" says: "Gain realized from the surrender of a life insurance policy may not be taxed under section 117 of the income tax statute, but must be treated as ordinary income the Bureau of Internal Revenue recently ruled. G. C. M., 18233; XVI-21-8717.

"Section 117 provides that only a percentage of the gain realized from the sale or exchange of a capital asset held for more than one year shall be taken into account. Thus, if stock is held for, say, nine years, and then sold, only 60 percent of the gain, if any, will be taxed. But if an insurance policy is held for, say, nine years, and then surrendered, 100 percent of the gain, if any, will be taxable.

"The reason for this seemingly contradictory result is that the surrender of an insurance policy is not, according to the bureau, a 'sale or exchange' within the meaning of the tax law. In support of this contention the bureau quotes from a decision of the board of tax appeals: 'The words sale or exchange are ordinary words of well established meaning. They do not include the surrender of a life insurance or annuity contract wherein the insured receives a payment of an obligation according to the terms of the insurance policy.' Geo. A. Hellman, 33 BTA, 901."

#### \* \* \*

#### NOW WRITING AVIATORS

Now that the Illinois insurance code is in effect, companies and agents have been getting inquiries from airplane pilots, owners of private planes, etc., regarding insurance containing aviation exclusion clauses. Section 224, paragraph C of the code definitely permits the issuance of policies with such clauses. The old law prohibited such a proposition under the two year incontestable clause provision, which permitted only one exception, that being in the event of death in naval or military service in time of war.

In the new code, the standard provision relating to the incontestable clause provides for this exception: "for violation of an express condition, if any, relating to aviation (except riding as a fare paying passenger of a commercial airline flying on regularly scheduled routes between definitely established airports) in which case the liability of the company shall be fixed at a definitely determinable amount not less than the full reserve for the policy and any dividend additions; provided that the application therefor need not be attached to or made a part of any policy containing a clause making the policy incontestable from date of issue."

In the past many of those Illinois aviators who have desired insurance have purchased it in states in which the aviation exclusion clause has been legalized.

#### \* \* \*

#### ZIMMERMAN'S UNIT MANAGERS

C. J. Zimmerman, who takes charge of the Samuel T. Chase agency of the Connecticut Mutual in Chicago, is now on the scene, having attended the company convention at Del Monte, Cal., after having closed his stewardship at Newark, N. J. Mr. Zimmerman finds about the same condition in the Chicago agency that confronted him at Newark. Both were old-time offices that had gone to seed and needed rejuvenation and up-building.

Mr. Zimmerman is a man of dynamic force, colorful in personality and a royal entertainer. He is a bachelor and is accredited with being one of the most delightful hosts imaginable. After he graduated from Dartmouth he became secretary of the New York City Life Underwriters Association and in that capacity became acquainted with a large number of full time life insurance men and brokers in New York City. In that

city many general insurance brokers belong to the life underwriters' association.

He later became manager of the brokerage department of the Fraser agency of the Connecticut Mutual Life when P. M. Fraser, now vice-president, was in charge. It was there that he won his spurs and was promoted to management of the Newark, N. J., agency. He built that up to a production of almost \$5,000,000 a year. In Chicago he will have to start almost from scratch but he has an excellent foundation.

Mr. Zimmerman's success rests chiefly on his selection and training of supervisors or unit managers. He seeks to get worthy supervisors and if one reaches his capacity he considers him worth a million dollars in production. Therefore he has a goal of so many million dollars a year and therefore he needs so many supervisors.

Mr. Zimmerman does not pretend to try to dictate to a unit group what class of business to get. He expects the unit manager to train his men along lines in which they are especially interested and where their forte surely lies. He is not a specialist himself. He looks at the field of life insurance in a big way and wants to have an all-round agency composed of men who are gifted in various directions. He sees the importance of having well trained, highly efficient supervisors who understand human nature and who can handle men successfully. His work therefore rests largely with his supervisors.

#### \* \* \*

#### WHITMER IN THE TOILS

After many years of life insurance promotion and exploitation, the law seems to have caught up with A. L.

Whitmer of Chicago, who was former chairman of the board of the now defunct Chicago National Life. Recently convicted of forgery in the criminal court in that city, he has been sentenced to serve from one to 14 years in the state penitentiary. His bond was raised from \$3,000 to \$15,000 pending appeal. He was unable to put up the new bond and was confined to the jail. He was convicted of forging the name of a friend to a note which he deposited as collateral with the old Kaspar American State Bank, which closed in 1932. Whitmer has been accused from time to time of various practices in connection with his life insurance promotional enterprises. However, he was able to give alibis and provide excuses that passed muster. The Illinois department was frequently on his trail.

\* \* \*

#### REPORT DIRECT TO WICKETT

The agency directors of the New York Life in Chicago for the time being are reporting direct to Vice-president F. A. W. Wickett at the head office following the retirement of Agency Inspector R. E. Whitney, who had immediate charge of these offices.

There are 10 agency directors in Chicago. O. R. Carter, inspector of agencies, has his office in Chicago, having charge of offices of the old central department, outside of Chicago, his field now being the central western department. Mr. Wickett was formerly superintendent of agencies in charge of the Pacific department and was elected vice-president early this year. No announcement has been made as to Mr. Whitney's successor.

## LIFE AGENCY CHANGES

### Chas. F. Bullen Will Retire

Has Long Been Chicago Manager of the Canada Life—With Company 54 Years

Charles F. Bullen, who for 42 years has been manager of the Chicago branch of the Canada Life, has decided to retire. His service with the company began in its head office 54 years ago. He was then a junior in the head office in Hamilton, Ont.

The business placed on the books by Mr. Bullen personally during his long association with the company equalled the production of a moderate sized life company. In 1931 the total business in force which he had personally produced for the Canada Life had attained the peak figure of over \$86,000,000, including group life and annuity business. In addition to this, owing to connections which some of his clients had with other companies it was not always possible to arrange the entire coverage with the Canada Life. The total life insurance he was responsible for as of Dec. 31, 1932, was \$128,500,000 group and ordinary insurance with total premiums of \$1,822,000.

### Thurman, Veteran General Agent at Richmond, Resigns

C. T. Thurman has resigned as general agent at Richmond, Va., for the Mutual Benefit Life on account of ill health. His resignation is effective with the appointment of his successor who is yet to be named. He was a Baltimore agent of the company before being transferred to Richmond as general agent 15 years ago. Ill at his home in Richmond, his condition was reported serious this week. He is suffering from arterio-sclerosis. He is a brother of Vice-president Oliver Thurman.

### Waltenberger General Agent

P. A. Waltenberger has been appointed general agent by the Mutual Trust Life in Bay City-Saginaw, Mich.,

territory, with headquarters in Bay City. He is a graduate of the Phoenix Mutual's home office training course, and formerly was a home appliance salesman. He is secretary of the American Legion post and commander of the 40 and 8.

### Connecticut Mutual Names Banton for Portland Post

W. W. Banton, supervisor of the C. J. Zimmerman agency of the Connecticut Mutual Life in Newark for a number of years, has been appointed a general agent of that company in Portland, Me. He returns to the field where he first started in the business.

The members of the Newark agency will tender him a farewell dinner July 22, which will be attended by many general agents, supervisors and managers. Mr. Zimmerman, now general agent in Chicago, will attend the dinner.

### Joins Wisconsin National

F. G. McNamara, formerly supervisor in the Milwaukee area for the Lincoln National Life, has resigned to become manager of the Milwaukee office of the Wisconsin National Life. He is well known in Milwaukee and lake shore cities, having spent approximately eight years in personal production and organization work. The Wisconsin National has taken larger offices in the Empire building in Milwaukee.

### National Life at Cincinnati

Joseph W. Austin, the new general agent of the National Life of Vermont in Cincinnati, was formerly a rural supervisor of the Penn Mutual in its Cincinnati office. He has written some good life insurance literature. His article, "The Service Interview for Policyholders," was published by the "Diamond Life Bulletins" of Cincinnati. He served during the war as a pilot in the marine air corps.

Mr. Austin has a considerable experience in the business, first with the Massachusetts Mutual and then as associate general agent of the Penn Mutual. He is active in the Cincinnati Life

Underwriters Association, serving as secretary in 1936, and he is a C.I.U. Mr. Austin attended Harvard. H. W. Hutchins, associate general agent, continues in the same capacity. Mr. Austin succeeds J. W. Dalzell, now Cincinnati manager of the Guardian Life.

### Ball Made Supervisor

O. M. Ball, who has had 21 years of selling experience, has been appointed supervisor of the Newark office of the State Mutual Life, of which Fred Lieberich, Jr., is general agent. He has been organizer of the Newark agency for the United States Life, was formerly manager of that company in New York and before that with the Travelers in Newark.

### Joins the Fidelity Mutual

William A. Foote, recently manager for the Equitable of Iowa in Buffalo, has been appointed manager there for the Fidelity Mutual Life, succeeding Elmer Baase, resigned. Mr. Baase has joined the John Hancock ordinary agency in Buffalo.

### F. H. Bell to Virginia

F. H. Bell of Columbia, S. C., state manager of the Jefferson Standard Life, has been made manager of its Virginia department. He entered the service of the Jefferson Standard as state supervisor in 1929, continuing until 1931. At that time South Carolina was divided into two parts and Mr. Bell was placed in charge of the eastern section with offices in Florence. In January of last year he was placed in charge of the entire state.

### Wooley Joins Fidelity Mutual

Albert Wooley, former assistant manager of the Travelers in Cleveland, has become manager Cleveland office of the Fidelity Mutual succeeding A. T. Steinhilber, resigned.

### Streeter Made Supervisor

B. F. Streeter has been appointed supervisor at Falls City, Neb., for the Capitol Life of Denver. His territory will include parts of Kansas and Missouri, besides Nebraska. He was formerly a general agent of the American Reserve Life and before that had been with the Metropolitan.

### Witowski Locates in Chicago

Stan Witowski, manager of the Federal Life at Scranton, Pa., and president of its 1936 Inner Circle Club, has sold his agency to Stanley Nowicki and will open a new agency in Chicago. He has represented the Federal Life in Scranton since 1916. He is interested in Chicago because of its large Polish population which will enable him to work among people of his own nationality.

### Davis Assistant at Peoria

R. E. Davis becomes assistant general agent of the Peoria, Ill., agency of the Aetna Life under General Agent L. O. Schriver.

After completing a teacher's training course he was a school teacher in various schools, then joined the then Keene & Hoagland general agency of the Aetna Life at Peoria 14 years ago. He has been consistently a large personal producer, never less than \$250,000 a year and as high as \$750,000.

### Krebs with Mutual Benefit

Lowell E. Krebs, who for a number of years has been manager for the Guardian Life at Williamsport, Pa., has become associated with the Mutual Benefit Life as supervisor of agents through the Williamsport office, of which W. L. King and G. E. Otto Flock are general agents.

### Takes Savannah Branch

The Jefferson Standard Life has appointed I. H. Gantt, Savannah, Ga., branch manager. He has had charge of the Atlanta office and is succeeded there



by P. H. Hearle, who has been at the home office. The Savannah branch is a new office.

#### Portland Manager Resigns

W. M. Doyle, manager Manufacturers Life, Portland, Ore., has resigned.

#### Shadd Made District Manager

Harold Shadd, for the last six years with the E. G. MacDonald agency of the Equitable Life in Sheboygan, Wis., has been appointed district manager at Kenosha, Wis., in charge of five counties.

#### Lutheran Mutual Names Carlson

Ralph I. Carlson of the Carlson Insurance Agency, Des Moines, has been named district secretary of Lutheran Mutual Life of Waverly, Ia., with jurisdiction over Des Moines and southern Iowa.

#### Joins Massachusetts Mutual

John H. Abbott, for the past 3½ years secretary-treasurer of the Chattanooga Association of Life Under-

writers, and president in 1932, has joined the G. H. Macdonald agency of the Massachusetts Mutual in Chattanooga. He has been with a large eastern company there for 10 years.

#### Dieterle Heads Life Department

The Ploeser-Moseley-Watts agency, St. Louis, has installed a life insurance department with F. J. Dieterle as manager. It recently was appointed general agent of the Continental Assurance.

#### Easter Made Tulsa Manager

Wallace Easter, formerly with the Massachusetts Mutual, has been appointed Tulsa, Okla., branch manager for the Acacia Mutual Life, it is announced.

#### Life Agency Notes

R. M. Enlow, agent of the Mutual Life of New York at Ponca City, Okla., has been promoted to agency organizer at the Oklahoma City office.

George T. Brannan has joined the Allen Gates general agency of the Penn Mutual Life at Little Rock. He is a past president of the Little Rock and the Arkansas Life Underwriters Associations.

## SALES RECORDS

**Union Central.**—June business showed the fifth monthly increase in sales during the current year. The agents paid for \$3,509,309 more life insurance than during the first half of 1936. This gain was widespread geographically. Fifty agencies contributed to the increase. The gain was steady. Five out of these six months show on the plus side compared to the same months last year.

Life insurance in force increased \$4,810,528 in five months. Mortality losses were approximately \$150,000 less. Ledger assets increased approximately \$37,200,000.

**Acacia Mutual.**—The first six months its insurance in force rose to \$374,000,000, an increase of more than \$9,000,000. This is an increase of 60 percent over 1936. Assets are approximately \$70,000,000, over \$3,000,000 increase. In the first six months the paid-for business totaled more than \$20,000,000, a gain of more than \$1,000,000 over the same period of last year. There is a 20 percent improvement in its conservation rate. At present the volume of policy loans is normal.

**Minnesota Mutual.**—In the first six months its insurance in force gained almost as much as the entire year 1936. The gain for the six months was \$5,250,000 against a gain of somewhat more than \$6,000,000 in the entire year 1936. The six months' gain equals the best year the Minnesota Mutual has had. Of 54 agencies surveyed all but nine showed gains over last year. The Victor-Winter home office agency reported a 50 percent increase in premiums written compared to the six months last year.

**Provident Life, Bismarck, N. D.**—Paid production for June was \$1,181,068, an increase of 82.6 percent over June, 1936. The gain in new business for the first six months was 41.8 percent. The production in June was dedicated to the Provident's twenty-first anniversary month. The largest single day's business ever received was on June 16 while the total production for the month broke all records. The Heidenreich agency, Colfax, Wash., led the field in paid for business, writing 384 percent of quotas. Eleven agents wrote at least an app-day for each working day.

**Bankers National Life, N. J.**—Increase in new paid-for business for the first six months was slightly over 20 percent. A record production year for 1937 is anticipated.

**Jefferson Standard Life.**—New sales totaled \$26,000,000 for the first six months a gain of 14.6 per cent over last year. A total gain of insurance in force amounting to \$11,000,000 brings the total volume to \$358,500,000. There was a marked improvement in conservation in

first and second year business. The renewal record on insurance less than two years old is 5.3 percent better than the first six months of last year.

**Franklin Life.**—It reports a 21 percent increase in June issued business and 22 percent increase in June paid business.

**Mutual Trust Life.**—The new paid for business the first six months was 18 percent more than for the same period of 1936. The net gain in insurance in force was \$3,752,488 against \$1,972,218, or an improvement of 90 percent.

**Ohio State Life.**—The Pittsburgh agency led in the volume for the six-months followed by Akron, Marion, Columbus, Cleveland and the Chicago-Kiefer agencies.

**Capitol Life.**—Reports written ordinary business increased 32 percent for the first six months.

**Manhattan Life.**—As of June 30 it had insurance in force \$66,585,946, gain \$2,015,782. Its increase in new paid for business the first six months was 105 percent.

**New England Mutual Life.**—Reports new insurance purchased the first half of 1937 was the largest in its history.

The total paid for was \$83,547,000, an increase of 16 percent. Insurance in force July 1 reached \$1,439,300,000, increase of \$45,851,000 since Jan. 1. Fifty out of 69 agencies throughout the country report substantial gains.

**Farmers & Traders Life, Syracuse, N. Y.**—In June its written business was 2.75 times that of June, 1936. For the first six months there was a 70 percent increase over the corresponding period of last year.

**Columbian National Life.**—New paid life insurance the first six months increased more than 20 percent. Since 1933 the number of agents has been reduced by an aggressive and continuous campaign to raise standards. Only about half as many field men are now licensed as in June, 1933. Insurance in force has gained over \$4,000,000 thus far in 1937. Assets are at the highest point in its history. Mortality has been quite favorable and it is several points lower than for the same period of 1936. New business in the accident and health department is up 10 percent for the first six months.

**Confederation Life.**—Paid business for the half year was \$22,500,000, the highest for any corresponding period since 1931. The June total of \$4,600,000 is also the highest since 1931. Business in force is approximately \$405,000,000, as against just under \$400,000,000 at the end of 1936. On a percentage basis policy loans now are the lowest in 25 years.

## WE RECOGNIZE AND APPRECIATE

Selling Life Insurance is the chief concern of both Home Office and Agency Organization.

Sales—both first-year and renewal—in both new production and conservation—Fieldmen deserve every Home Office cooperation.

The Pan-American is proud that through its agency system and field service it has come to be regarded as an agency-minded—sales minded Company.

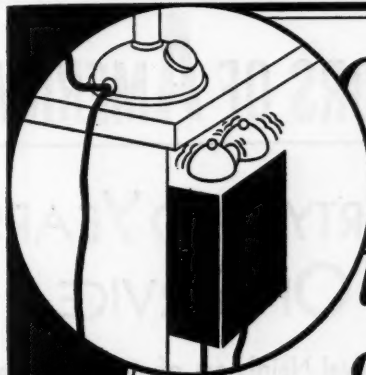
We have places for a few District Managers for men who measure up to Pan-American requirements.

#### Address:

EDWARD G. SIMMONS  
Vice-President & General Manager

PAN-AMERICAN LIFE INSURANCE COMPANY  
New Orleans, U. S. A.

Crawford H. Ellis, President



*We want to  
talk to you...  
at once*

**IF** you can show a record of \$100,000 of paid-for personal production for the past year;  
you feel there is no further opportunity for growth in your present condition;  
you live in either Pennsylvania, New Jersey, Rhode Island, Maryland or Delaware and  
you have family responsibilities.

If the four items mentioned above describe your present condition, then you are the man we are looking for. The Bankers National Life Insurance Company can offer to men of this sort the chance of a lifetime to have a successful general agency.

Interest you? Can you meet the qualifications? Then write to William J. Sieger, Vice President and Superintendent of Agencies, for the complete story of this exceptional opportunity.

**BANKERS NATIONAL  
LIFE INSURANCE COMPANY**  
Montclair, New Jersey

## LEGAL RESERVE FRATERNALS

### Program of Field Managers

**Addresses and Round Table Discussions  
Scheduled at Columbus, O.,  
Annual Meeting**

Program of the annual meeting of the Fraternal Field Managers Association, to be held at the Deshler-Wallick Hotel, Columbus, O., Aug. 29, the day preceding the annual meeting of the National Fraternal Congress, is announced by R. M. Norrington, Gleaner Life, Detroit, the president.

Arthur R. Colvin, Fidelity Life of Fulton, Ill., is vice-president, and F. B. Mallett, Protected Home Circle, Sharon, Pa., is secretary-treasurer. The program is:

#### Details of Program

10 a. m.—Meeting called to order. Address—S. H. Hadley, President National Fraternal Congress, and president Protected Home Circle.

"What Constitutes Acquisition Costs," Norton J. Williams, vice-president Equitable Reserve, Neenah, Wis. Round table discussion.

"Advisability of Effecting Collections through District Offices." Round table discussion.

12:30 p. m.—Special luncheon for all delegates and visitors.

#### Afternoon Session

2 p. m.—"Value of a generous renewal clause in field contracts: and need for cooperation between the societies in the selection of field representatives," Arthur R. Colvin, field manager Fidelity Life. Round table discussion.

"Most Practical and Efficient Type of Field Contract," Mrs. Dora Alexander Talley, vice-president National Fraternal Congress and president Woodmen Circle. Round table discussion.

7:30 p. m.—Banquet—R. M. Norrington, field manager Gleaner Life, presiding.

Address—Norton J. Williams, past president Field Managers' Association.

#### Schedule Bill Hearings

Hearings will be conducted by the house of representatives the week of July 26 on the bill to exempt fraternal from payment of taxes under the social security act. Employees of fraternal societies were held to be under the act in an opinion handed down last February by the social security board.

#### Illinois Congress Meeting

The Illinois Fraternal Congress executives will meet this week to choose the delegates to the National Fraternal Congress national convention in Columbus, O., Aug. 30. Decision on whether or not to participate in the pageant planned by the American Fraternal Congress, of which D. T. Winder, former Illinois congress president, is secretary-manager, will be made.

#### Society of Deaf to Meet

The triennial convention of the National Fraternal Society of the Deaf will be held in Chicago July 26-31. There will be an exhibit of the work of deaf people.

#### Dr. Cypihot Now President

Dr. Hector Cypihot, prominent Montreal physician and business man, was elected president general of the Alliance Nationale, succeeding Charles Duquett, president for 15 years, who has just resigned due to the condition of his health. Dr. Cypihot is the son of Dr. Theodore Cypihot, one of the Alliance Nationale founders and former chief medical examiner. The son suc-

ceeded his father as a member of the executive committee in 1930.

#### Dr. McGrath Takes Post

Dr. J. G. McGrath has taken up his duties in the Catholic Order of Foresters head office in Chicago as acting high medical examiner. He succeeds the late Dr. J. P. Smyth.

#### Gleaners Meet in December

The Gleaner Life will hold its convention Dec. 7-8 in Kankakee, Ill. President H. P. Orr believes adoption of quadrennial conventions was injudicious and probably will propose that the society return to biennial sessions.

#### To Hear Policyholder

LINCOLN, NEB., July 15.—Insurance Director Smrha has refused the application of counsel for the Royal Highlanders to dismiss the petition filed by G. R. Wiseman, a policyholder, who questions the legality of the fraternal's change to a legal reserve mutual life company, and asks an order of distribution of surplus assets. Mr. Smrha has agreed to give Wiseman's attorney a hearing on the merits of the application some time in August.

#### M. T. Stevens Is Dead

M. T. Stevens, a department official of the Modern Woodmen at the head office in Rock Island, Ill., for 42 years died there after a long illness at the age of 76. He had been on pension for a number of years.

## ASSOCIATIONS

### New Jersey Executive Group Makes Fall Meeting Plans

NEWARK, July 15.—At an executive committee meeting of the Life Underwriters Association of Northern New Jersey, tentative plans were outlined for the fall and winter program. The first meeting will be held Sept. 13 with Paul Speicher, R. & R. Service, as speaker. A series of luncheon meetings will follow. D. B. Maduro, counsel for the New York City association, will be a luncheon speaker.

A service pin was presented J. E. Clayton and John Binns, former presidents for their excellent services. Six past presidents attended.

President L. D. Harrison announced committees. Chairman are: Auditing, William Richardson; budget, John Binns; educational, Hugh O'Neill; ethics, Fred Lieverich, Jr.; legislative, J. E. Clayton; life insurance week, A. G. Derr; luncheon, F. A. Dittmars; membership, C. A. Ross; program, E. C. Hoy; annual sales congress, J. B. MacWhinney and cooperation with the Supervisors' Association of Northern New Jersey, I. N. Relay.

H. C. Lawrence, general chairman of the July 23 outing at Mazdabrook Park, near Morristown, reported that at least 150 members will attend.

Delegates to the National association meeting will go unrepresented.

\* \* \*

Portland, Ore.—John S. Green, Occidental Life Insurance Company, has been elected president; T. D. Stoughton, Phoenix Mutual Life, vice-president; H. I. Shoff, Connecticut Mutual Life, secretary, and L. J. Beaucage, Equitable of Iowa, treasurer.

\* \* \*

Shreveport, La.—L. E. Throckmorton, Aetna Life, was reelected president; M. O. Carter, Jefferson Standard, was chosen vice-president; J. E. Brown, Metropolitan Life, secretary; Thomas Dixon, treasurer. It is expected that the association will be able to sponsor a lecture course. The life insurance men have been very active in the chamber of commerce. H. A. O'Neal of the Mutual Life of New York is president of the chamber and Mr. Throckmorton is chairman of its convention committee.

## INDUSTRIAL

### Metropolitan Life Changes

David B. Carroll, who has been acting manager of the Metropolitan Life office at Haverhill, Mass., has been promoted to manager at Laconia, N. H. Don Tracy, who has been manager at Calais, Me., goes to Haverhill as manager and is succeeded at Calais by John P. Mahony, formerly manager at Laconia. A newly appointed manager is J. Alfred La Tulippe at Biddeford, Me.

### Promotions by Prudential

John F. Odell has been promoted superintendent of the Paducah, Ky., district of the Prudential. He started as agent at Fairbury, Ill., in 1927. In 1928 he was promoted to assistant at Bloomington, Ill., where he has been since.

The former superintendent at Paducah, E. L. Keneipp, has been transferred in the same capacity to Louisville, Ky.

The new superintendent of Detroit No. 3 is W. J. Dinnen, who has been Prudential man in Detroit since 1918. Four years after his enrollment he was promoted to assistant superintendent in Detroit No. 2 and was transferred to Detroit No. 4 three years later.

### Colonial Life Convention

The annual convention of the Colonial Life will be held at the Hotel Claridge, Atlantic City, Sept. 16-17. An elaborate program is being arranged and many home office officials will speak. The convention is expected to be the largest the company has ever held.

### Opens Charleston, W. Va., Office

The Equitable Life of Washington, D. C., has opened a new industrial district in Charleston, W. Va., in charge of C. A. Morgan, who entered the service of the company in 1926 in the Steubenville, O., district and was promoted to assistant manager there in 1931.

### Chattanooga District Winner

The Cosmopolitan Life's Chattanooga district, A. F. Henson, manager, won production contest with \$222 industrial increase and 103.4 percent collections in May. There are 21 agents and four superintendents in the unit.

F. S. Talbot, 76, Modern Woodmen executive and brother of President A. J. Talbot, died at his home in Lincoln, Neb. He had charge of camp activities and mergers, working out of the Lincoln office.

## Prospect Leads?

Lutheran Brotherhood field men need never be idle for lack of prospects. Our men have a selected field of operation. All Lutheran men, women and children are eligible for Brotherhood insurance.

*Lutheran salesmen, for a greater field in selling, write*

**LUTHERAN  
BROTHERHOOD**  
LEGAL RESERVE LIFE INS.

Herman L. Ekern, President  
Minneapolis Minnesota

# ROYAL NEIGHBORS OF AMERICA

● One of the largest fraternal benefit societies.  
Membership  
561,964.

● Operates home for aged dependent members.  
Admitted Assets  
\$58,048,400.

● Maintains fraternal fund to assist needy members.  
Total claims paid  
\$94,722,569.

● Writes modern forms of life insurance for women, men and children.  
Insurance in force  
\$406,902,762.

● Provides free health service.

SUPREME OFFICE  
ROCK ISLAND, ILL.

## FORTY-TWO YEARS OF SERVICE

Royal Neighbors of America was chartered as a fraternal benefit society in the state of Illinois on March 21, 1895. Since that time the society has faithfully provided a dual service of insurance and true fraternalism for members numbering in the hundreds of thousands.

The history of Royal Neighbors of America reveals that its fundamental principle of twofold service has been an outstanding success. This success is reflected in the steady growth of the society and in statistics which place Royal Neighbors of America among the leaders in its field.



# SALES IDEAS AND SUGGESTIONS

## Prospecting and Sales Plans Explained by Experts

Various aspects of selling were presented by leading agents at the Lincoln National Life's regional convention at Colorado Springs. L. S. Becker, St. Louis, spoke on "How I use centers of influence in my prospecting work." He classifies centers of influence as: Policyholders, personal friends and business or department heads. In almost every instance, said Mr. Becker, the centers of influence become his policy owners sooner or later. "In working with any center of influence I feel it is important to give this person the best life insurance service possible and the next step is to build prestige for one's self." He shows letter of commendation from his general agent and the home office and notices of attainment in the company magazines to his centers of influence so to build prestige.

Mr. Becker gives his centers of influence a complete report on every lead whether or not he sells them. This keeps interest alive.

### Contacts People with Whom He Does Business

In speaking on "How I use people I do business with," C. B. Rittenberry, Amarillo, Tex., general agent, explained that with the proper approach, tradesmen and others can be made prospectors, prestige builders, and excellent personal boosters. "This is done, first, by impressing the people with your ability as a life insurance man and second, by showing an active interest in the other man's business. After friendship and respect have been won," said Mr. Rittenberry, "you will discover that the people you do business with have been giving you unsolicited testimonials. You will also discover that it is not at all difficult to ask these people for live business leads."

H. W. Pike, Los Angeles agent, told "How My Family Helps Me Prospect." He explained an elaborate telephone solicitation which he operates in connection with his wife. In this way he sifts suspects from prospects, arranges interviews and appointments and generally control his time.

### Uses Introduction Plan in Securing Prospects

G. V. Jackson, San Antonio, said that next to a personal introduction to a prospect, a letter of introduction gets the best results. If it is impossible to get a letter he uses a simple introduction card which reads, "Mr. Prospect: This will introduce Mr. G. V. Jackson. Signed, Mr. Smith."

Automatic prospecting by means of a confidential reference blank used in securing an application was discussed by Paul Webber, San Francisco. By getting the applicant to give such confidential references a continuous flow of prospects is insured.

G. B. Schwiager, Portland, Ore., general agent, told how he gets prospects from death claims. After settling one claim Mr. Schwiager began calling on everyone in the vicinity. He pointed out to prospects the service rendered to the family and showed photostatic copies of checks that were issued. "Within approximately four weeks I closed, delivered, and paid for more than \$100,000 of business in that vicinity," said Mr. Schwiager. In getting business through death claims it is not necessary to have actual names of prospects. He calls on anyone who might have known the deceased policyowner.

Policyowners like to deal with their

own life insurance man if he has done a good job in the past, said E. G. Mercer, Kansas City, in speaking on "Policy Owners as Prospects and as a Source of Leads." The biggest part of preliminary sales resistance is broken down when the life insurance man calls on an old policyowner, according to Mr. Mercer. In dealing with old policyowners: "Don't ever take advantage of a policyowner by failing to give him the best service you know how."

"Don't ever betray his confidence—to do that is fatal."

"Don't allow your interest in a policyowner to stop when you have delivered the policy and got your money."

In contacting old policyowners the agent should distribute advertising reminders such as calendars, banks for children and birthday cards. He should never overlook an opportunity to render his policyholder or family a favor whenever the opportunity presents itself.

These things, according to Mr. Mercer, keep old policyowners receptive, both as a source of new business and for leads.

"An age change is the greatest single reason why any insurance prospect should buy now," said Leo R. Porter, Wichita general agent, in discussing "My age change plan." "The bargain appeal in life insurance," he said, "is the strongest known." Mr. Porter then listed four separate ideas to help sell business in connection with age changes. First, to send a small announcement card to prospects reading: "Mr. Blank, do you realize that July 10 is your insurance birthday? After that date your rate will increase not for one year but for every year you own your life insurance contract. I will see you soon." "Second, purchase a 5-year diary and write in this the birthdays of all policyowners, prospects and suspects you have on your list and call on these. Third, make it a definite rule to add at least two new birthday dates to your book each day. Fourth, carry with you at all times a copy of a chart furnished by the company showing the cost of a day's delay, based on all of the popular policy plans. It is an extremely effective sales tool."

Grant Taggart, chairman of the Million Dollar Round Table and Cowley,

Wyo., agent of the California Western States Life, spoke on "Success—a Price to Pay." The price of success, Mr. Taggart told the men at the convention, is hard work. "There is no formula or recipe which I can give you or you to me that will insure success," Mr. Taggart said. "It is an individual proposition and it is your job and my job to build our own structure. The foundation of that structure must be as it has always been, conscientious work. The door of success is ajar to all men who will follow an organized plan and pay the price in hard work. The slogan, 'Press on' has always solved and always will solve the problems of the human race."

At a clinic on salary continuance plans and income settlements, J. L. Lawrence, San Antonio, Tex., and R. E. Murphy, San Francisco, brought out these points: It is easier to create interest in an approach using the income settlement-salary continuance plan story than through any other life insurance proposition; second, that in selling the plan has an easier approach so the agent is assured of getting more interviews; third, analysis shows that salary continuance plan policies are of greater than average size; fourth, agents report that the salary continuance plan policies have a much better persistency; and, fifth, that with the foregoing advantages the life insurance salesman himself makes more money, does more service for his prospects, and becomes a greater credit to his agency.

F. E. Cox, Sacramento, Cal., and L. F. Richardson, San Antonio, Tex., presented their salary continuance plan sales talks in which they stressed the value of selling an income rather than a lump sum.

### Tells How He Appeals to Farmer in Selling

The appeal that income settlement life insurance has to farmers was brought out by L. E. Leedom, associate general agent of Marshall, Minn. His approach is: "Mr. Prospect, if you were to die unexpectedly, a little private depression of your own would set in for your family. Now I have a plan that would end that depression for your wife and children. Suppose you were to be taken away unexpectedly, wouldn't you like your wife and family to have an income for three years, so she could take off this year's crops and put it into a little home of her own. You know a home all her own cannot be taken away from your wife." Mr. Leedom then goes on to explain how the income settlement, plus butter and egg money, and other small farm income can be made to produce a living income for the family. An interesting feature of his talk is a plan whereby the farmer plants five acres of his farm to a certain crop which in itself would take care of the life insurance premiums each year, or, if the farmer is a stock raiser, Mr. Leedom uses an illustration of an extra investment in stock to pay the life insurance premium.

Prestige building methods were presented by P. W. Aurell, Phoenix, Ariz., general agent, and L. L. Watson, Fresno, Cal. "The goal for a life insurance man to set for himself in prestige building," Mr. Aurell said, "is that people will not think of him as just another insurance agent."

"Prestige and good will are properly earned by rendering service to policyowners in form of well thought out suggestions in their life insurance needs and suggestions in settlement options," said Mr. Watson. "Think of building prestige as one of your specific problems," he said, "and deliberately start a program of action that will bring the necessary prestige building results."

The final day's business session was devoted to agents' round tables.

## Uses Social Security Plan Letter to Advantage

Manager A. S. Holman of the Travelers at San Francisco is using the social security act in order to build up good will for his organization. He sends out a letter to those who in his opinion are eligible for benefits under the social security act. He finds that it cements existing business relationships and creates good will. His letter is as follows:

Dear Mr. Client:

As a matter of service to your family, if you so direct, I will be pleased to record your social security act account number and the numbers of your life policies on a "service card" in my office.

Should you die, I will sympathetically assist the members of your family in the completion of claim blanks which I will secure for them from the government social security board and from the life companies.

The death benefit under your contributions to the social security fund are payable to your estate and in the event of your death prior to age 65 the cash benefit is 3½ percent of total wages. The death benefit will range from a few dollars and can amount to as much as \$4,500.

### Illustration Is Given

To illustrate:

Age 35—Salary or Wages—\$250 monthly throughout the 30-year period to age 65.

Maximum Death Benefit—\$3,150.

The several requirements in connection with the completion of death claim forms, including identification statement by friend or acquaintance, statement by attending physician and beneficiary's statement, etc., prompts me to offer the facilities of my office and my personal sympathetic attention at a time of greatest need.

Very truly yours,

Manager Holman realizes that the life agents can handle all details under the social security act in a much more efficacious position than a widow or other dependents. In fact, a widow may not realize that she is entitled to any death benefit as a result of her husband's contribution under this act. He states that if an agent is securing proof of death in connection with a client's life insurance,



A. S. HOLMAN

it would be an easy matter for him to cooperate with the employer or to supply proof as the social security authorities demand in connection with death benefits under that plan.

In fact, an agent who is well up on the social security act, who has studied it in its ramifications and has secured an excellent working knowledge of it can use his information to good advantage in selling life insurance. People find that it is intricate and it needs to be interpreted. Therefore they are ready listeners to anyone who knows what he is talking about. Most people probably feel that they will secure more benefits a month than they really will. Suppose an agent therefore can convince a man that under the social security act, even at the maximum his monthly benefits will be \$50 a month. The agent therefore can suggest buttressing that income and increasing it through a retirement income policy. There are many ways where the social security act can be used to great advantage in life insurance production.

## Monthly Premium Offers Wide Field

(CONTINUED FROM PAGE 1)

premium policyholders who have been paying regularly as clockwork for the last 10 years.

While semi-annual business is supposed to have a higher lapse rate than annual, and quarterly than semi-annual, it does not always follow that monthly business is worse than quarterly. In at least one ordinary company the lapse rate on monthly business has proven slightly better than quarterly.

One reason why monthly premium business has not been pushed more among strictly ordinary companies is that home offices fear it will develop low average policies and high lapse rates and this attitude is reflected in the restrictions placed upon agents. For example, one company pays no commissions until three premiums have been paid. Another withholds the commission on the first month and pays a double commission on the twelfth month. Some make \$10 a month the minimum premium.

One of the main problems currently facing the agency end of the business is how to get more prospects of the type

known to the cartoonists as "Mr. Average Citizen." There will always be big-time agents who can write the upper crust buyers and occasionally an average agent will get a lucky break, but it is recognized that agents do the bulk of their business mainly in their own economic strata. Consequently, the average agent's salvation appears to lie in the direction of getting more business from the average citizen.

At the same time, the small average premium resulting from this class of business is a feature which makes an excessive amount of it undesirable. There are plenty of cases on record where monthly premium business has been sold to perfectly solvent buyers and by making the payments relatively painless, has been the means of their buying considerably more than they would have bought if they had had to do the necessary planning and saving to pay even on a quarterly basis.

The Phoenix Mutual Life, which writes monthly premium business, has a system which helps the policyholder systematize his premium payments and work himself up from monthly payments to annual. If he is paying on a monthly basis, he is encouraged to put in a little more each month than the amount of the premium, the balance going into a

premium deposit fund on which he receives 3 percent interest, the rate being guaranteed in his policy.

As more and more money accumulates in the premium deposit fund, the policy is changed from monthly to quarterly, then to semi-annual and finally to annual, with the assured still paying on the monthly basis but having the advantage of the annual rate and getting 3 percent on all the money he has in the fund. A variant of this is to have the policyholder, when buying the coverage, take enough money out of his savings account to pay the full annual premium and then immediately start paying into the premium deposit fund every month.

## Occupancies Up in Residence Field

(CONTINUED FROM PAGE 1)

type of farm is not much sought after. While the turnover in farms is not large, it is in decided contrast to a year ago when there was virtually none whatever. Life companies are disposing of some of their farm holdings although the amount sold is still small in proportion to their total of farm properties.

Mr. Thorpe believes that there are definite signs of recovery in the real estate market.

## Mutual Benefit Names Two Chicago General Agents

(CONTINUED FROM PAGE 3)

his degree from the New York Law School and passed the bar examinations. Then followed a period of three years as assistant treasurer of the American Locomotive Works in New York where, in addition to his duties, he studied accountancy.

He wrote his first life insurance case in 1918 as a member of the Mutual Benefit's Newark agency. In 1919 he went to Chicago as Mr. Drew's assistant. He found he could apply many of the ideas learned in his previous connections to estate analysis which he decided to adopt as his specialty. In 1931 he received the C. L. U. designation. He organized an agency study group of 12 and seven attained the honor.

He has been successful in personal production and in one year led the Chicago agency, paying for over \$800,000.

Mr. Ingersoll is married to Alice Drew, one of A. A. Drew's two daughters.

## Insurance Almanac Out

The 1937 edition of the Insurance Almanac has just been issued by the "Weekly Underwriter," 80 Maiden Lane, New York. It gives comprehensive information on insurance companies of all classes, insurance organizations, national, state and local; insurance department officials, figures on last year's operations and prominent personalities in the insurance business.

Read *The Industrial Salesman*, \$1 a year. 420 E. Fourth Street, Cincinnati.

## Arkansas Results in 1936 Are Given by Department

Net premiums of legal reserve life companies in Arkansas last year amounted to \$15,785,844, according to the annual report of the Arkansas department just published. Stipulated premium companies had premiums \$411,833, assessment associations \$194,530 and fraternal \$1,010,783. Life companies combined had a 6.5 percent increase in premiums.

Receipts of the department were \$633,504 and disbursements \$17,996.

Insurance in force of foreign legal reserve companies in Arkansas as of Dec. 31, 1936, was \$452,244,838, as compared with \$441,770,710 the previous year. New business written in 1936 was \$87,132,171.

### Metropolitan Was Leader

Metropolitan Life had insurance in force \$70,448,706. New business written was \$14,385,711. New York Life had in force \$54,786,234, new business \$3,634,080; Aetna Life had in force \$45,331,321, new business \$6,483,132; Mutual Life had in force \$29,049,101 and new business \$3,163,950; Equitable Life of New York had in force \$26,132,754 and new business \$2,811,427.

Insurance in force of domestic legal reserve companies was \$37,697,907 and new business written was \$14,202,872. The leaders were Pyramid Life, insurance in force \$12,619,408, new business \$3,480,965; National Equity, in force \$10,127,989 and new business \$4,121,168, and National Old Line, in force \$7,758,327 and new business \$1,716,000. Stipulated premium companies had in force \$13,718,918 and new business \$5,849,588. The leader was Progressive Life, in force \$5,759,690 and new business \$3,184,850.

Assessment associations had in force \$43,463,267. The leader was National Aid Life of Oklahoma City, in force \$35,725,603, new business \$16,530,948.

## Files Mandamus Action

A petition for a writ of mandamus against Commissioner Harrison of Arkansas to require issuance of a certificate permitting solicitation of memberships, was filed in Pulaski circuit court at Little Rock by the National Mutual Life Insurance Association. [Hearing will be held July 22 before Judge Mann.] The petition alleges a certificate was issued April 21, which expired June 9 and that another certificate for a year has been refused. The company claims it is an "association for soliciting applications for life insurance upon the level or stipulated rate assessment plan," and that it qualifies under Arkansas insurance laws.

## Study U. S. Companies

Mauricio Pages and Horacio Mascarenhas of La Continental Insurance Company, Buenos Aires, are visiting life insurance home offices in this country to study North American methods. Life insurance has had a slow growth in Argentina and it was not until 1932 that sales increased to large proportions. The depression was followed by a big expansion, starting in 1934.

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## Semi-Annual Statements

(CONTINUED FROM PAGE 1)

Name of Company	New Pd. Bus. 1st 6 Mos. 1937	1936	Change in Ins. in Force 1937	1936
State Reserve Life, Tex.	10,566,798	9,225,886	+533,948	+131,247
Teachers Ins. & Annuity	2,062,900	1,885,526	+1,313,090	+1,189,306
Union National Life, Neb.	1,521,000	1,087,950	+1,136,500	+743,000
United Life & Acc.	2,059,617	1,895,389	+510,052	+47,362
United States Life	3,775,201	2,719,840	+2,325,210	+645,895
Volunteer State Life	4,575,955	5,473,785	+329,044	-335,535
Western American Life, N. M.	1,051,500	855,000	+677,000	+664,500
Western Reserve Life	1,930,429	1,816,705	+996,768	+909,165
Western Union Life	555,000	270,000	+350,000	+140,000
Wisconsin Natl. Life	2,976,784	2,014,086	+1,224,893	+141,563

\*Exclusive of group.

\*Ordinary only.

\*Ordinary and Industrial started Sept., 1936.

\*Includes ordinary and Industrial, not group.